

House, N. J., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5969. Also, petition of Mrs. A. Schuler and 50 other citizens of Brooklyn, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5970. Also, petition of Elizabeth Selby and 29 other citizens of Seattle, Wash., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5971. Also, petition of Mrs. W. R. Thomas and 33 other citizens of Cambridge, Md., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5972. Also, petition of Marie L. Keenan and 40 other citizens of Brooklyn, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5973. By Mr. LANDIS: Petition of Jessamine Sturm Ruble, of Vincennes, Ind., and 140 other signers of that community protesting the relaxing of the War Production Board regulations for the manufacture of alcoholic beverages during the month of August; to the Committee on the Judiciary.

SENATE

MONDAY, AUGUST 7, 1944

(Legislative day of Tuesday, August 1, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Hunter M. Lewis, B. D., associate minister, Church of the Epiphany, Washington, D. C., offered the following prayer:

O God, who on the mount didst reveal to chosen witnesses Thine only begotten Son wonderfully transfigured, in raiment white and glistening, foreshadowing the glory that was to be: Grant, we beseech Thee, that we may share in the power of that transfiguration through the realization that Thou dost speak to us in our sublimest moments, our purest instincts, and our noblest impulses. Help us to realize the prophetic value therein, that these, our transfiguration times, point to that which is yet to come, which Thou wouldst have us to be, and which

we know can be, inasmuch as for a moment it has been. Hold us, O Lord, to our best and highest ideals, for ourselves, for our Nation, and for the world, in sure knowledge that as we fall short of Thee, we fall short of that humanity which Thou has shown to us through Thine only begotten Son, who for our redemption endured the Cross, even Jesus Christ, our Lord. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The Secretary (Edwin A. Halsey) read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., August 7, 1944.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. SAMUEL D. JACKSON, a Senator from the State of Indiana, to perform the duties of the Chair during my absence.

CARTER GLASS,
President pro tempore.

Mr. JACKSON thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, August 3, 1944, was dispensed with, and the Journal was approved.

WAR MOBILIZATION AND POST-WAR ADJUSTMENT—REPORT OF MILITARY AFFAIRS COMMITTEE DURING RECESS

Under authority of the order of the 3d instant,

Mr. MURRAY (for himself and Mr. KILGORE), from the Committee on Military Affairs, reported a bill (S. 2061) to provide a national program for war mobilization and post-war adjustment, submitted a report (No. 1036) thereon, and the bill was placed on the calendar.

APPRECIATION OF THE ALTHING FOR CONGRESSIONAL FELICITATIONS ON ESTABLISHMENT OF THE REPUBLIC OF ICELAND

The ACTING PRESIDENT pro tempore laid before the Senate a letter from the Secretary of State referring to his letter of June 23, 1944, regarding the concurrent resolution passed by the Congress in connection with the establishment of the Republic of Iceland and enclosing copy of a note dated June 22, 1944, addressed to the American Legation at Reykjavik by the Icelandic Ministry for Foreign Affairs, which, with the accompanying note, was referred to the Committee on Foreign Relations.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate by the Acting President pro tempore, and referred as indicated:

A resolution of the State Aeronautical Commission of Colorado, relating to the applications of Braniff Airways, Inc., et al., concerning air transportation to and from the State of Colorado and the southeastern part of the United States; to the Committee on Commerce.

The petition of S. Doerschug, of Elmhurst, L. I., praying for the enactment of legislation to amend the rent-control provisions of the

Emergency Price Control Act so as to remove certain alleged inequities and discriminations against owners of housing accommodations; ordered to lie on the table.

INVESTIGATION OF THE ALCOHOLIC BEVERAGE INDUSTRY—PARTIAL REPORT NO. 2 OF SUBCOMMITTEE OF COMMITTEE ON THE JUDICIARY

Mr. KILGORE. Mr. President, on behalf of the Committee on the Judiciary and at the request of the Senator from Nevada (Mr. McCARRAN), chairman of the subcommittee of the Committee on the Judiciary authorized by Senate Resolution 206, to investigate the business practices and operations of the alcoholic beverage industry, I ask unanimous consent to have printed at this point in the RECORD a progress report, entitled "Partial Report No. 2," made by the subcommittee investigating the liquor industry.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

INVESTIGATION OF THE ALCOHOLIC-BEVERAGE INDUSTRY—PROGRESS REPORT

Senate Resolution 206, Seventy-eighth Congress, first session, adopted November 16, 1943, reads in part as follows:

"Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation with respect to the business practices and operations of the alcoholic-beverage industry in all its phases, including any matters relating to the production, importation, distribution, purchase, or sale of whiskey, gin, rum, brandy, or other distilled spirits, or wine or malt beverages. The committee shall report to the Senate at the earliest practicable date the results of such study and investigation, together with its recommendations for necessary legislation."

Pursuant to the above resolution, a subcommittee of the Committee on the Judiciary of the United States Senate was appointed, which is now composed of Senators PAT McCARRAN, chairman, HARLEY M. KILGORE, ABE MURDOCK, and HOMER FERGUSON.

Hearings have been held, preliminary investigations have been conducted and on June 23, 1944, the subcommittee submitted a report (partial Report No. 1) to the Committee on the Judiciary of the United States Senate which contained the following recommendations:

"1. Government action to assure an increased supply of beverage spirits in the future.

"2. Amendment of the Federal Alcohol Administration Act and the Internal Revenue Code to provide better weapons for Federal enforcement and control of the liquor business and for combating the existing black market in beverage alcohol.

"3. An allocation program above the retail level, under the direction of the War Food Administration; in order to assure a more equitable distribution of existing stocks of beverage alcohol now in the hands of the retailer, wholesaler, rectifier, bottler, and distiller; and to provide an allocation program which will prevent the channeling of liquor into the black market and to dealers who have built up tremendous stocks."

The purpose of this second report is to advise the Congress and the Nation the extent to which the committee has gone already in its investigations and to indicate some of the issues and subjects which require further intensive investigations and hearings. Aside from the matters with which

the committee was concerned in its first report, the committee finds that many activities and practices of the entire liquor industry are reprehensible and that the war has encouraged certain members of the industry to disregard completely the public welfare. In certain instances the Federal departments and agencies have shown little concern over the problem and their lack of an intelligent and forthright approach has served to aggravate certain conditions.

RATIONING PROFITS INSTEAD OF WHISKY

On October 8, 1942, the liquor industry stopped the distillation of beverage spirits and since that time has devoted its entire facilities to the manufacture of industrial alcohol for use in the war program. In order to conserve existing stocks of whiskies, the members of the industry, simultaneously adopted a self-rationing program, under which about 70 percent of a normal year's distribution is allocated annually to the liquor wholesalers and retailers. By this action, the industry declared it hoped to preserve a supply of beverage spirits for the American public as long as possible, even though not in the amount which the public previously had enjoyed.

In some instances this self-imposed rationing was successful, fair, and equitable. However, in the case of some of the more important companies, instead of rationing beverage spirits, profits were rationed.

It appears that these companies secured statistics which showed the amount of liquor which they had furnished their distributors during the year preceding October 8, 1942. Instead of using this as a basis upon which to allocate future supplies, these companies ascertained the amount of sales made by their distributors. On this basis it was determined what particular brands had realized the greater profit in each community. Then, using this information, they furnished each local distributor with a greater proportion of such brands and eliminated from his area other straight whisky brands, which at the present time would undoubtedly find consumer acceptance because of the curtailed sale of beverage spirits. Furthermore, in place of the brands which were eliminated from a particular area, new brands were substituted which on the basis of regulations of the Office of Price Administration could be sold at a higher profit than could the brands which had previous consumer acceptance. The final result was retention by these liquor companies, in their bonded warehouses, of much of the aged beverage liquor, and substitution of blends under new labels, selling at much higher prices than the straight whiskies whose brand names were known to the public. Thus, the public received inferior whiskies in the form of blends (aged straight whiskies blended with grain, fruit, or cane spirits in a high degree), paid higher prices for them, could not secure the straight whisky brands which they desired, and the companies ended up retaining a proportionately greater amount of aged whiskies which apparently they hope to put on the market after the war at higher prices than could be charged today. Rules and regulations of the Office of Price Administration should be drafted to prevent such practices.

THE AMERICAN DISTILLING CO.

With the aid and cooperation of the Securities and Exchange Commission, the committee has been conducting an investigation into the business practices and operations of the American Distilling Co., and fluctuations in the price of that company's stock.

The peculiar manner in which a partnership, known as Foster & Co., secured controlling interests in James J. Sullivan, Inc., and Country Distillers Products, both operating distillers, with great quantities of whisky in their inventories, through the financial assistance and "good offices" of the

American Distilling Co., also has engaged the attention of the committee.

It appears also that Foster & Co. purchased 47 percent of Ben-Burk, Inc. (bottlers, distillers, and rectifiers) from the American Distilling Co., at a profit to Foster & Co. of over \$200,000. The close connection between the officers and directors of the American Distilling Co. and the partners of Foster & Co. and the fact that the same attorney represents both the American Distilling Co. and Foster & Co., might be taken as an indication either that Foster & Co. is merely a "dummy" firm set up and controlled by the officers of American Distilling Co. to evade possible antitrust or monopoly criticism, or that the officers and directors of American Distilling Co. have divested their stockholders of a corporate opportunity, in collusion with Foster & Co.

Despite the fact that apparently the above negotiations and sales do not come within the jurisdiction of the Securities and Exchange Commission, the committee believes that the matters referred to should be completely investigated, and that open hearings should be held at an early date to apprise the public of these and other activities of the American Distilling Co. which are or may be contrary to the public interest.

TENDENCY TOWARD MONOPOLISTIC CONTROL OF THE LIQUOR INDUSTRY BY DISTILLERS CORPORATION-SEAGRAMS, LTD., NATIONAL DISTILLERS PRODUCTS CORPORATION, SCHENLEY DISTILLERS CORPORATION AND HIRAM WALKER-GOODERHAM & WORTS, LTD. (THE BIG FOUR)

In conjunction with the investigation of the Department of Justice into possible antitrust violations by the following companies: Distillers Corporation-Seagrams, Ltd., National Distillers Products Corporation, Schenley Distillers Corporation, and Hiram Walker-Gooderham & Worts, Ltd., hereinafter referred to collectively as the Big Four, the committee has been conducting a similar investigation to determine the monopolistic tendencies of the Big Four in connection with their acquisitions and control of liquor, wine, and beer interests.

Appendices 1, 2, 3, and 4 list the subsidiary companies owned or controlled by each of the Big Four. Appendix 5, based upon information reported to the Securities and Exchange Commission, shows the acquisitions of each of the Big Four since 1937. As can be seen from these appendices, the Big Four own or control a substantial portion of the liquor industry of the United States, and recently these four companies have begun to acquire substantial interests in both the wine and beer industries.

Contrary to popular belief, the inventories of whisky in the bonded warehouses of the Big Four have increased during the past 4 years. Between December 31, 1939, and December 31, 1943, National Distillers Products Corporation increased its whisky inventory from 52,913,520 proof gallons to 70,569,429 proof gallons, and its percentage of the total whisky inventory of the entire liquor industry increased from 11.38 to 18.31 percent. During the same period, Schenley Distillers Corporation increased its whisky inventory from 82,005,417 proof gallons to 86,247,431 proof gallons, and its percentage of the total whisky inventory of the entire liquor industry rose from 17.63 to 22.38 percent. During that period, Distillers Corporation-Seagrams, Ltd., increased its whisky inventory from 47,842,758 proof gallons to 73,665,230 proof gallons, and its percentage of the total whisky inventory of the entire liquor industry increased from 10.29 to 19.11 percent. While the whisky inventory of Hiram Walker-Gooderham & Worts, Ltd., decreased slightly, from 43,401,052 proof gallons to 38,423,764 proof gallons, its percentage of the total whisky inventory of the United States increased from 9.33 to 9.97 percent. (See appendix 6.) Thus, despite the fact that since

October 1942 no whisky has been distilled, and that there has been a constant drain upon the inventories of the Big Four since that date, nevertheless the Big Four have in their possession today about 70 percent of the Nation's supply of whisky, as compared with 49 percent in their warehouses in 1939.

During the 4-year period from December 31, 1939, to December 31, 1943, the Big Four acquired 24 registered distilleries. Also, during that period the National Distillers Products Corporation acquired 33,487,262 proof gallons of whisky; Schenley Distillers Corporation acquired 36,606,545 proof gallons of whisky; Distillers Corporation-Seagrams, Ltd., acquired 46,801,856 proof gallons of whisky; and Hiram Walker-Gooderham & Worts, Ltd., acquired 10,170,966 proof gallons of whisky. In other words, during this 4-year period the Big Four acquired 127,066,629 proof gallons of whisky from sources outside their own distilleries. (See appendix 7.)

During the fiscal years 1939 through 1943, National Distillers Products Corporation produced 76,311,260 tax gallons of whisky, which represented 16.82 percent of the total production of whisky in the United States; Schenley Distillers Corporation produced 76,508,166 tax gallons, which represented 16.89 percent of the United States total; Distillers Corporation-Seagrams, Ltd., produced 19,799,072 tax gallons, which represented 4.36 percent of the United States total; and Hiram Walker-Gooderham & Worts, Ltd., produced 53,380,913 tax gallons, representing 11.77 percent of the total whisky produced in the United States. Thus, during the fiscal years 1939 through 1943, the Big Four produced almost 60 percent of the whisky produced by the entire liquor industry of the United States. (See appendix 8.)

The committee is concerned greatly over the tendency of the Big Four to remove small distillers from competition, because when the act of monopolizing the liquor industry has been completed it will then be too late to remedy the harmful effect it will have had upon the public. It is because of this, rather than to substantiate any actual charges of monopoly and antitrust violations, that the committee deems it appropriate to point out such statistics as are cited above.

When the production of beverage alcohol ceased, late in 1942, the liquor industry began devoting its facilities to the manufacture of industrial alcohol. However, through the activities of members of the industry and the encouragement given them by section 124 of the Internal Revenue Code and the rules and regulations of the War Department, Navy Department, and War Production Board, it became a comparatively simple matter for large companies to purchase the equipment and facilities of small distilleries (along with their whisky inventories), and remove them from competition under the guise of wishing to increase the production of industrial alcohol for the war program.

The committee has received numerous protests from indignant members of the public who believe that they are aware of a movement by the Big Four to monopolize the production of all alcoholic beverages; including whisky, wine, and beer. The committee's investigations so far tend to indicate these fears to be well-grounded. The committee believes that the future business practices of the alcoholic industry should be based upon healthy competition, free from possible antitrust combinations and monopolistic tendencies.

At the present time the committee is engaged in further investigations into the question of the monopolistic tendencies of the Big Four, individually; and, also, is investigating the tie-ups between each of the Big Four through stock ownership and connections of the officers and directors of each of these companies. This horizontal combination, if it exists to any great degree, will be the subject

of a later report. The committee also is investigating the vertical controls which the Big Four exert upon the liquor industry as a whole, from the distillery to the retailer. Evidence has come into the possession of the committee, which indicates that certain members of the Big Four control, or attempt to control, the purchase and sale of the beverage spirits of their distributors.

The committee is aware of the fact that the Department of Justice has a voluminous amount of material concerning the activities and the operations of each of the Big Four with respect to possible violations of the Sherman Antitrust and Clayton Acts. It is not within the province of this committee to determine whether any or all members of the Big Four are subject to prosecution for violation of the above-named acts, or to civil suits for divestiture. However, the committee believes that it is incumbent upon the Department of Justice to take the necessary steps to prevent the formation of a monopoly in the liquor industry, and recommends that the Department of Justice do so at an early date.

The Treasury Department has a definite responsibility to preserve competition in interstate commerce in distilled spirits by virtue of the authority Congress has granted the Treasury Department in the Federal Alcohol Administration Act. The committee has observed that the Big Four have used the device of interlocking directorates to form a virtual monopoly in the liquor industry, thereby tending to destroy healthy competition.

With certain exceptions, the Federal Alcohol Administration Act in section 208 (a) provides "that it shall be unlawful for any individual to take office, after the date of enactment of this chapter, as an officer or director of any company, if his doing so would make him an officer or director of more than one company engaged in the business as a distiller, rectifier, or blender of distilled spirits, or of any such company and of a company which is an affiliate of any company engaged in the business as a distiller, rectifier, or blender of distilled spirits or of more than one company which is an affiliate of any company engaged in business as a distiller, rectifier, or blender of distilled spirits, unless, prior to taking such office application made by such individual to the Secretary of the Treasury has been granted and after due showing has been made to him that service by such individual as officer or director of all the foregoing companies of which he is an officer or director together with service in the company with respect to which application is made will not substantially restrain or prevent competition in interstate or foreign commerce in distilled spirits. The Secretary of the Treasury shall by order grant or deny such application on the basis of the proof submitted to him and his finding thereon."

Thus, it is clear that Congress has placed a responsibility upon the Treasury Department by giving it administrative power to prevent the formation of a monopoly in the liquor industry. If the Treasury Department had exercised its proper authority since August 29, 1935, the date of enactment of this provision, the committee believes that the liquor industry would not be as much controlled by the Big Four as it is today. The committee believes that in the future the Treasury Department should refuse to grant applications of officers and directors of the Big Four who seek to become officers and directors in other companies engaged in the business of blending, distilling, or rectifying distilled spirits.

LIQUOR DISTILLERS (THE BIG FOUR) ENTER CALIFORNIA WINE INDUSTRY

In addition to the tendency of the Big Four to monopolize the whisky industry, the committee has been concerned with the activities of these distillers in acquiring wine interests in California, and in exerting control over the California wine industry. Ap-

pendix 9 shows those California bonded wineries owned or leased by the Big Four on December 10, 1943, including the location, storage capacity, and date acquired of each winery. The storage capacity of the bonded wineries acquired by the Big Four, as of December 10, 1943, was 48,860,480 gallons, out of a State total wine storage capacity of 215,493,637 gallons. In other words, the Big Four increased their percentage of the total California wine storage capacity from 22.26 to 23.14 percent during the year 1943. (See appendix 10.) On December 10, 1943, there were 395 active bonded wineries in the State of California, of which National Distillers Products Corporation owned 3, Schenley Distillers Corporation owned 10, Distillers Corporation-Seagrams, Ltd., owned 2, and Hiram Walker-Gooderham & Worts, Ltd., owned 2, or a total of 17 owned by the Big Four—or 4.30 percent of the total number of wineries in the State. (See appendix 11.)

Appendix 12 shows that during the 1942 vintage season the Big Four produced 12,199,533 gallons of wine which represented 19.63 percent of the total State wine gallonage produced in California during that season. On December 31, 1942, the Big Four had in their inventories 31,409,478 gallons of wine which represented 25.54 percent of the total wine inventories of the State of California. (See appendix 13.) During the year 1942 the Big Four sold 23,658,613 gallons of wine from their holdings in California. This represented 24.60 percent of the total number of gallons of wine sold in the State of California that year. (See appendix 14.) This latter point is significant in view of the fact that much of the wine produced in California is sold in bulk; whereas the wine produced by the Big Four is sold in fifths of a gallon. In view of the higher sales price and profits realized through the sale of fifths of a gallon, it is obvious that if the Big Four sold approximately 25 percent of all of the wine produced in California during 1942, this represented a much larger percentage of the dollar volume of sales and also a much greater percentage of the dollar volume of profits received by the California wine producers.

Investigations now being conducted by the committee have as their object bringing the above statistics up to date so that a comparison can be made between the dates given above and the present date concerning the subjects of inquiry. The committee believes that when this latest information is received it will indicate that the Big Four whisky distillers have increased to a substantial degree their wine holdings in California.

The committee has received numerous complaints from the citizens and grape growers in California, which indicates that they are alarmed at the entrance of the whisky distillers into the California wine industry. The complaints allege that the whisky interests exert influence upon officials in the Government agencies who are regulating the wine and grape industries—such as the Office of Price Administration, the War Food Administration, and the Commodity Credit Corporation; that the previous high standards of California wine products are being lowered by the presence of the whisky distillers in the California wine industry; that the Big Four control the activities of the Wine Institute, which is a nonprofit organization ostensibly representing the interests of the entire wine industry of the United States (particularly California); and that the Big Four distillers are attempting to monopolize both the wine industry and the grape crops in California to an extent which will force the small, independent wine producer out of business even though his facilities are not purchased outright by the Big Four.

Because of such information the committee will continue an intensive investigation of the activities of the Big Four in the wine

industry, and will schedule hearings in California in the near future in order to give all parties an opportunity to be heard. Subsequently, the committee will issue a report showing in detail the relationship between the whisky distillers and the wine industry.

TRADE PRACTICES OF THE LIQUOR INDUSTRY

In November and December 1943, there appeared in the press a statement by the Distilled Spirits Institute, Inc., entitled "A Frank Statement on the Whisky Shortage," and "The Truth About the Whisky Shortage." The statements were signed by 57 members of the liquor industry, including National Distillers Products Corporation and 15 of their subsidiaries, Joseph E. Seagram & Sons, Inc., and 9 of their subsidiaries, and Hiram Walker & Sons, Inc., and 3 of their subsidiaries. The statement purported to tell the American public the truth concerning the lack of whisky on the shelves of liquor dealers. The committee's investigations have indicated that the statement is a misrepresentation of the facts as they existed then and as they exist today.

The statement points out that there were then about 203,000,000 proof gallons of whisky available and that this amount would have to last until the production of whisky was resumed. Treasury Department figures show that in November 1943 there were 392,063,092 tax gallons of whisky in bonded warehouses available for consumption, of which it is true a certain amount would be lost due to leakage, and evaporation when the whisky was withdrawn. The liquor industry contends that this loss would be in the neighborhood of 96,000,000 gallons. This is untrue, because such a loss would never accrue inasmuch as this whisky would be released at an earlier date than the maximum storage period. Further, the statement does not take into consideration the supply of about 30,000,000 proof gallons of neutral spirits in bonded warehouses which would be blended with much of the straight whisky before sale. Furthermore, distilled water would be added to the blends in most cases, reducing the proof from 100 to about 86. Therefore, instead of the 203,000,000 proof gallons available for consumption in November 1943, there was really the equivalent of about 350,000,000 gallons of salable whisky available.

The statement of the Distilled Spirits Institute, Inc., contends that the distillers have helped to maintain the Office of Price Administration ceiling prices. As a matter of fact, most of the distillers have withheld their older and better-known brands of whisky from the public; and under the first series of regulations of the Office of Price Administration the distillers released many new brands of inferior quality liquor at prices in excess of those which they would have received for the older and better-known brands. This action was made possible because of certain loopholes in the regulations of the Office of Price Administration, which allowed ceiling prices to be based upon prices of a preexisting date. Thus, if a brand was not on the market on the preexisting date, there was no original basis upon which to place a ceiling price upon it, and manipulations resulted in the public's paying exorbitant and unreasonable prices for poor-quality liquor. After much damage had been done in this way, the Office of Price Administration modified its regulations to provide that ceiling prices on new brands would be based upon the quality of the liquor sold, rather than upon any preexisting sales price.

The statement points out why rum and gin are more plentiful than whisky, stating that these beverages are distilled from cane products instead of grain products. Information and evidence in possession of the committee indicates that distillers have engaged to some

considerable extent in the practice of requiring purchasers to buy a certain stipulated quota of gin and rum in order to obtain a certain amount of whisky. Naturally, such tie-in sales are not often reduced to writing nor made upon a contract basis; and likewise it is natural that the purchasers are disinclined to reveal the existence of such deals for fear of reprisals they would not be able to stay in business and would be blacklisted in the future. It is common knowledge that certain members of the Big Four own or control the output of distilleries in Cuba and Puerto Rico. Thus, they are in a much better position than competitors who do not have this advantage.

The tenor of the statement of the Distilled Spirits Institute, Inc., seems to indicate that everyone is to blame for the alleged whisky shortage except the distilleries. The statement indicts the consumer for hoarding whisky, blames the public for the existence of a black market, and excuses for the retailer who reserves an adequate liquor supply for "regular" customers.

In general the committee believes that in view of the recent action of the War Production Board, allowing the distillers to produce beverage spirits for a 30-day period, it is incumbent upon the distillers to show their good faith by releasing more whisky from their bonded warehouses to help alleviate a condition which has been occasioned at least as much by the hoarding of the distillers rather than by any hoarding which may be chargeable to the American public. It is obvious that the large distillers wish to retain substantial stocks of aged whiskies in their bonded warehouses until after the war, so that they will be in better position to command higher prices and realize greater profits at the expense of an unsuspecting public, whom the liquor industry had hoped would be educated into the belief that the alleged whisky shortage was not the fault of the liquor industry.

The committee believes that the present arrangement whereby the liquor industry has placed itself under a plan of severe self-imposed rationing is contrary to the best interests of the public, and is unjustified by present conditions. Such an arrangement, if made by tacit agreement between the distillers, is a violation of the spirit, if not the letter, of the Sherman Antitrust Act.

APPENDIX 1

National Distillers Products Corporation and subsidiary companies

National Distillers Products Corporation:¹ Bardstown Distillery, Inc. (Maryland); the Black Gold Distillery Co. (Maryland); the Blue Grass Distillery Co. (Maryland); the Bond & Lillard Distillery Co. (Maryland); the Bourbon de Luxe Distillery Co. (Maryland); the Crab Orchard Distillery Co. (Maryland); the Hermitage Distillery Co. (Maryland); the Hill & Hill Distillery Co. (Maryland); the Mount Vernon Distillery Co. (Maryland); the Old Crow Distillery Co. (Maryland); the Old Grand Dad Distillery Co. (Maryland); the Old McBraver Distillery Co. (Maryland); the Old Taylor Distillery Co. (Maryland); Sunny Brook Distillery Co. (Maryland); National Distillers Export Co., Inc. (New York); Bellows & Co., Inc. (Maryland); A. Overholt & Co., Inc. (Pennsylvania); Large Distilling Co. (Pennsylvania); National Distillers Corporation of New England (Massachusetts); Marques del Merito, Inc. (Maryland); Shewan-Jones, Inc. (Maryland); Italian Swiss Colony (California); Gambarelli & Davitto, Inc. (Delaware); Gambarelli & Davitto, Inc. (Massachusetts);

¹ This is both a holding and an operating company.

NOTE.—Subsidiaries are wholly owned, except as otherwise noted.

Glencoe Distillery Co. (Kentucky) (owns 75 percent of outstanding stock); John de Kuyper & Son, Inc. (New York) (owns 70 percent of outstanding stock); W. & A. Gilbey, Ltd. (Delaware) (owns 66 $\frac{2}{3}$ percent of outstanding stock).

APPENDIX 2

Schenley Distillers Corporation and subsidiary companies

Schenley Distillers Corporation: Associated Kentucky Distilleries Co. (Kentucky); Astor Pure Rye Distilling Co. (Kentucky); Belmont Distilling Co. (Kentucky); Clifton Springs Distilling Co. (Delaware); Cresta Blanca Wine Co., Inc. (Delaware); Geo. A. Dickel Distilling Co. (Delaware); Rontang Distilleries, Inc. (Pennsylvania); Joseph S. Finch & Co. (Pennsylvania); The Gibson Distilling Co. (Maryland); The Greenbrier Distilling Co. (Maryland); L. E. Jung & Wulff Co., Inc. (New York); The Melvale Distillery Co. (Maryland); The Monticello Distillery Co. (Maryland); Napa Valley Wine and Brandy Co., Inc. (Maryland); The New England Distilling Co. (Kentucky); Bernheim Distilling Co. (Kentucky); Number One Distilling Co. (Pennsylvania); Old Charter Distillery Co. (Delaware); The Old Quaker Co. (Maryland); Oldetyme Distillers Corporation (Delaware); Green River Distilling Co. (Maryland); Oldetyme Distributors, Inc. (Pennsylvania); Oldetyme Distillers, Inc. (Maryland); Jas. E. Pepper & Co. (Kentucky); Roma Wine Co. (Delaware); Schenley Distilleries, Inc. (Maryland); Schenley Distributors, Inc. (New York); Schenley Import Corporation (New York); Dubonnet Corporation (Pennsylvania); Schenley Products Co. (Pennsylvania); The Geo. T. Stagg Co. (Kentucky); The Stagg-Finch Distillers Corporation (Delaware); Sam Thompson Distilling Co. (Maryland); United American Co. (Kentucky); The Wilken Family, Inc. (Pennsylvania).

APPENDIX 3

Distillers Corporation-Seagrams, Ltd., and subsidiary companies

Distillers Corporation-Seagrams, Ltd.; Joseph E. Seagram & Sons, Inc. (Indiana); Paul Masson, Inc. (California); William Jameson & Co., Inc. (New York); Gallagher & Burton, Inc. (Kentucky); Seagram-Distillers Corporation (Delaware); Distillers Products Sales Corporation (Massachusetts); Carstairs Bros. Distilling Co., Inc. (Maryland); Carstairs Distillers Corporation (Delaware); Old Lewis Hunter Distillery Co. (Delaware); Mount D'or Wine Co. (California); The Distillers Products Sales Corporation (Connecticut); Browne-Vintners Co., Inc. (Delaware); Browne-Vintners Massachusetts, Inc. (Massachusetts); Wilson Distilling Co., Inc. (Maryland); Hunter Distilleries Co., Inc. (Maryland); H. McKenna, Inc. (Delaware); Dant & Dant of Kentucky (Kentucky); Distillers Warehouses, Inc. (Kentucky); Paul Jones & Co., Inc. (Maryland); Seagram, Inc. (Kentucky); Frankfort Distilleries, Inc. (Delaware); Seagram, Inc. (Nebraska); The Calvert Distilling Co. (Maryland); Julius Kessler Distilling Co., Inc. (Indiana); Calvert Distillers Corporation (Maryland); Calvert Distillers Corporation of Massachusetts; Maryland Club Distilling Co., Inc. (Delaware); Maryland Pure Rye Distillery, Inc. (Maryland); Lord Calvert Distilleries, Inc. (Maryland); Maryland Distillery, Inc. (Maryland); Assets Corporation (Delaware); A & K Beverages, Inc. (Delaware); House of Stover, Inc. (Delaware); Kasko Distillers Products Corporation (Pennsylvania).

APPENDIX 4

Hiram Walker-Gooderham & Worts, Ltd., and subsidiary companies

Hiram Walker-Gooderham & Worts, Ltd. (Canada); Subsidiaries Holding Co., Ltd.

(Canada); Hiram Walker & Sons, Inc. (Michigan); Associated Distilleries, Inc. (Delaware); Gooderham & Worts, Ltd. (Delaware); Jas. Barclay & Co., Ltd. (Delaware); Hiram Walker, Inc. (Delaware); Hiram Walker Distributors, Inc. (New York); Hiram Walker-Gooderham & Worts Sales Corporation (Massachusetts); The Frank L. Wight Distilling Co. (Maryland); Valliant & Sons Vineyards, Inc. (California); W. A. Taylor & Co. (New York).

APPENDIX 5

Acquisitions since 1937—as reported to Securities and Exchange Commission

Distillers Corporation-Seagrams, Ltd.

Wilson Distilling Co., Inc., and Hunter Baltimore Rye Distillery, Inc., were organized on December 14, 1940, by a subsidiary of Distillers Corporation-Seagrams, Ltd., each having an authorized capital stock of 1,000 shares of no-par common stock, stated value \$100 per share, all of which was subscribed and paid for by said Distillers Corporation-Seagrams, Ltd. Thereafter and during the month of December 1940, said corporation purchased respectively all of the assets of Browne-Vintners Co., Inc., Wilson Distilling Co., Inc., and Hunter Baltimore Rye Distillery, Inc., which latter companies are not and were not then subsidiaries of Distillers Corporation-Seagrams, Ltd.

H. McKenna, Inc., was organized on September 25, 1941, by a subsidiary of Distillers Corporation-Seagrams, Ltd., Joseph E. Seagram & Sons, Inc., having authorized capital stock of 1,000 shares of no-par common stock—10 shares of which having a stated value of \$100 per share were subscribed and paid for by said J. E. Seagram & Sons, Inc. Subsequently H. McKenna, Inc. (a Delaware corporation), acquired substantially all of the assets of H. McKenna, Inc. (a Kentucky corporation).

In February 1942, Joseph E. Seagram & Sons, Inc., a subsidiary of Distillers Corporation-Seagrams, Ltd., acquired Dant & Dant of Kentucky (a Kentucky corporation). All stock was purchased in the consideration of cash.

The purchase of Frankfort Distilleries had not been reported to the Securities and Exchange Commission on June 1, 1944.

Hiram Walker-Gooderham & Worts, Ltd.

Hiram Walker Distributors, Inc., was incorporated August 8, 1931, in the State of New York. Hiram Walker & Sons, Inc., own all the stock.

Associated Distillers, Inc., was incorporated May 4, 1942, under the laws of Delaware. All its shares are owned by Hiram Walker & Sons, Inc.

Valliant & Sons Vineyards, Inc., was incorporated March 31, 1943, under the laws of California. All its stock is owned by Hiram Walker & Sons, Inc.

Destilleries Hiram Walker & Sons, Inc. (Argentina, South America), was organized December 1943 under the laws of Argentina. All shares are owned by or in the account of Hiram Walker & Sons, Inc.

Schenley Distillers Corporation

Schenley Distributors, Inc., a subsidiary acquired on December 2, 1940; issued and outstanding stock of the Liquor Products Co.

Cresta Blanca Wine Co., Inc., was organized under the laws of Delaware December 2, 1940, and became a subsidiary of Schenley.

Schenley Blend Division, Inc., was organized under the laws of Maryland on June 15, 1940. All stock is owned by Schenley.

Green River Distilling Co. was organized under the laws of Maryland, June 25, 1940. All stock is owned by Schenley.

Farm Products, Inc., organized under the laws of Indiana, June 3, 1942. All stock is owned by Schenley.

Stagg-Finch Distillers Corporation, organized under the laws of Delaware under the name of I. W. Harper & Affiliated Distillers, Inc., on June 3, 1942. All stock owned by Schenley.

California Vineyards Association, Inc., was organized under the laws of California, September 7, 1943. All stock is owned by Schenley or its subsidiaries.

Blatz Brewing Co. was purchased December 15, 1943, for a cash consideration of \$6,000,000.

National Distillers Products Corporation
Rewco Distillery Co. was incorporated May 14, 1941, under the laws of Delaware. All stock is owned by National Distillers.

The Hannis Distillery Co. was incorporated on July 16, 1941, under the laws of Delaware. All stock is owned by National Distillers.

Italian Swiss Colony, a California corporation, was purchased for cash by National Distillers.

Gambarelli & Davitto, Inc., was incorporated December 11, 1942, under the laws of Delaware. All stock owned by National Distillers.

Gambarelli & Davitto, Inc. (Massachusetts), became a subsidiary of National Distillers on December 5, 1943, by cash purchase.

Glencoe Distillery Co., a Kentucky corporation, became a subsidiary of National Distillers on April 7, 1943, by cash purchase.

APPENDIX 6.—Whisky inventories (original proof gallons) of each of the Big Four compared with each other and with the entire liquor industry on a percentage basis, 1939–43 (calendar years)

Companies	1939	1940	1941	1942	1943 ¹
National Distillers Products Corporation:					
1. Original proof gallons.....	52,913,520	60,997,570	67,379,674	68,620,764	70,569,429
2. Percent of United States total.....	11.38	12.73	13.19	14.62	18.31
Schenley Distillers Corporation:					
1. Original proof gallons.....	82,005,417	86,356,548	95,882,860	96,949,725	86,247,431
2. Percent of United States total.....	17.63	18.02	18.76	20.65	22.38
Seagrams, Ltd.-Distillers Corporation:					
1. Original proof gallons.....	47,842,758	55,090,029	58,766,071	61,361,536	73,665,230
2. Percent of United States total.....	10.29	11.50	10.52	13.07	19.11
Hiram Walker-Gooderham & Worts, Ltd.:					
1. Original proof gallons.....	43,401,052	46,201,253	46,249,017	44,643,970	38,423,764
2. Percent of United States total.....	9.33	9.64	9.05	9.51	9.97

¹Estimated.

APPENDIX 7.—Acquisitions (registered distilleries and whisky) of each of the Big Four during calendar years 1939 through 1943

Companies	1939	1940	1941	1942	1943	Total
National Distillers Products Corporation:						
1. Registered distilleries.....	0	2	2	0	2	6
2. Original proof gallons of whisky.....	1,548,817	7,707,611	3,999,587	5,276,512	14,931,735	33,487,262
Schenley Distillers Corporation:						
1. Registered distilleries.....	0	1	2	2	0	5
2. Original proof gallons of whisky.....	2,734,995	6,838,249	14,733,278	10,105,147	2,194,876	36,606,545
Seagrams, Ltd.-Distillers Corporation:						
1. Registered distilleries.....	0	1	1	5	4	11
2. Original proof gallons of whisky.....	0	6,496,247	949,692	15,013,813	24,342,104	46,801,856
Hiram Walker-Gooderham & Worts, Ltd.:						
1. Registered distilleries.....	0	0	1	1	0	2
2. Original proof gallons of whisky.....	232,357	1,707,539	3,674,505	4,507,340	49,225	10,170,966

APPENDIX 8.—Production (tax gallons by fiscal years) of the registered distilleries of each of the Big Four compared with each other and with the total production of the entire liquor industry on a percentage basis, 1939–43 (fiscal years)

Companies	1939	1940	1941	1942	1943	Total
National Distillers Products Corporation:						
1. Tax gallons.....	18,448,395	15,945,005	18,421,499	19,744,189	3,752,172	76,311,260
2. Percent of United States total.....	19.84	16.11	15.12	16.42	19.21	16.82
Schenley Distillers Corporation:						
1. Tax gallons.....	9,591,925	19,139,136	23,471,872	20,999,782	2,595,451	76,598,166
2. Percent of United States total.....	10.31	20.14	19.26	17.46	13.29	16.89
Seagrams, Ltd.-Distillers Corporation:						
1. Tax gallons.....	2,949,968	3,778,493	6,944,026	5,718,328	408,257	19,799,072
2. Percent of United States total.....	3.17	3.82	5.70	4.76	2.09	4.36
Hiram Walker-Gooderham & Worts, Ltd.:						
1. Tax gallons.....	15,760,305	11,380,459	14,233,498	10,947,118	1,109,533	53,380,913
2. Percent of United States total.....	16.95	11.44	11.68	9.10	5.68	11.77

APPENDIX 9.—California bonded wineries owned or leased by distillers as of Dec. 10, 1943

Companies	Location	Storage capacity	Date acquired
National Distillers Products Corporation:			
(1) Italian Swiss Colony.....	Asti.....	8,463,628	December 1942.
(2) Do.....	Clovis.....	5,174,474	Do.
Total.....		13,637,512	
(3) Shewan Jones, Inc.....	Lodi.....	2,035,707	February 1939.
Total.....		15,673,219	
Schenley Distillers Corporation:			
(4) Cresta Blanca Wine Co., Inc. (Colonial Grape Products Co.).....	Elk Grove.....	1,631,784	September 1942.
(5) Cresta Blanca Wine Co., Inc. (Pacific Vineyard Products, Inc.).....	Geyersville.....	550,000	January 1941.
(6) Cresta Blanca Wine Co., Inc.....	Livermore.....	1,170,080	Do.
(7) Cresta Blanca Wine Co., Inc. (Livermore Winery, Inc.).....	do.....	360,000	October 1941.
(8) Cresta Blanca Wine Co., Inc. (Central Winery, Inc.).....	St. Helena.....	1,717,684	November 1942.
Total.....		5,429,548	
(9) Roma Wine Co.....	Fresno.....	9,756,809	Do.
(10) Do.....	Healdsburg.....	348,694	Do.
(11) Do.....	Lodi.....	5,568,414	Do.
(12) Roma Wine Co. (Central Winery, Inc.).....	Kingsburg.....	7,607,050	Do.
Total.....		23,281,007	
(13) Schenley Distilleries, Inc. (Roma Wine Co., Inc.).....	Manteca.....	1,473,666	May 1938.
Total.....		30,184,221	

APPENDIX 9.—California bonded wineries owned or leased by distillers as of Dec. 10, 1943—Continued

	Location	Storage capacity	Date acquired
Joseph E. Seagram & Sons, Inc.:			
(14) Paul Masson, Inc.	Saratoga	17,000	April 1943.
(15) Mount Tivy Winery	Reedley	2,108,160	December 1942.
Total		2,125,160	
Hiram Walker, Inc.:			
(16) Valliant & Sons Vineyards, Inc. (San Benito Winery)	Hollister	205,000	April 1943.
(17) Valliant & Sons Vineyards, Inc. (R. Martini Wine Co.)	Santa Rosa	1,672,880	August 1943.
Total		1,877,880	
Grand total		49,860,480	

APPENDIX 10

WINE STORAGE CAPACITY ON DEC. 31, 1942

	Gallons	Percent of State total
State total	215,493,637	100.00
National Distillers Products Corporation	15,673,219	7.27
Schenley Distillers Corporation	30,184,221	14.01
Distillers Corporation-Seagrams, Ltd.	2,108,160	.98
Hiram Walker-Gooderham & Worts, Ltd.		
Distillers total	47,965,600	22.26

WINE STORAGE CAPACITY ON DEC. 10, 1943

	Gallons	Percent of State total
State total	215,493,637	100.00
National Distillers Products Corporation	15,673,219	7.27
Schenley Distillers Corporation	30,184,221	14.01
Distillers Corporation-Seagrams, Ltd.	2,125,160	.99
Hiram Walker-Gooderham & Worts, Ltd.	1,877,880	.87
Distillers total	49,860,480	23.14

APPENDIX 11.—Number of active bonded wineries in California, total and those owned by distilleries, as of Dec. 10, 1943

	Number	Percent of State total
State total	395	100.00
National Distillers Products Corporation	3	.75
Schenley Distillers Corporation	10	2.53
Distillers Corporation-Seagrams, Ltd.	2	.51
Hiram Walker-Gooderham & Worts, Ltd.	2	.51
Distillers total	17	4.30

APPENDIX 12.—Wine produced¹—1942 vintage season

	Gallons	Percent of State total
State total	62,146,725	100.00
National Distillers Products Corporation	3,334,791	5.36
Schenley Distillers Corporation	7,680,362	12.36
Distillers Corporation-Seagrams, Ltd.	272,652	.44
Hiram Walker-Gooderham & Worts, Ltd.	911,728	1.47
Distillers total	12,199,533	19.63

¹ Gross production, before adjustments for losses, amelioration, etc.

APPENDIX 13.—Wine inventories on Dec. 31, 1942

	Gallons	Percent of State total
State total	122,971,174	100.00
National Distillers Products Corporation	9,068,452	7.37
Schenley Distillers Corporation	19,918,996	16.20
Distillers Corporation-Seagrams, Ltd.	927,697	.75
Hiram Walker-Gooderham & Worts, Ltd.	1,494,333	1.22
Distillers total	31,409,478	25.54

APPENDIX 14.—Wine sales volume—1942 calendar year

	Gallons	Percent of State total
State total	96,119,146	100.00
National Distillers Products Corporation	8,071,616	8.39
Schenley Distillers Corporation	13,252,793	13.79
Distillers Corporation-Seagrams, Ltd.	1,223,266	1.27
Hiram Walker-Gooderham & Worts, Ltd.	1,110,938	1.15
Distillers total	23,658,613	24.60

ADDRESS BY SENATOR JACKSON BEFORE THE CONNECTICUT DEMOCRATIC STATE CONVENTION

[Mr. MALONEY asked and obtained leave to have printed in the RECORD the address delivered by Senator JACKSON before the Democratic State Convention of Connecticut on August 4, 1944, which appears in the Appendix.]

EDITORIAL COMMENTS ON RETIREMENT OF JAMES A. FARLEY

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an editorial from the New York Times of July 10; an editorial from the Brooklyn Citizen of June 15; an editorial from the New York Enquirer of July 17 commenting upon the retirement of Hon. James A. Farley as chairman of the New York State Democratic Committee, which appear in the Appendix.]

FEDERALIZATION OF MEDICINE

[Mr. WHITE (for Mr. NYE) asked and obtained leave to have printed in the RECORD an article entitled "The Doctors" by Frank C. Waldrop, published in the Washington Herald of July 31, 1944, which appears in the Appendix.]

CONTROL OF THE PRESS

[Mr. WHITE (for Mr. NYE) asked and obtained leave to have printed in the RECORD

an article entitled "F. C. C. Probe Bares Plan To Control Press," by William Edwards, published in the Washington Times-Herald of June 18, 1944, which appears in the Appendix.]

CONTROL OF LONDON PRESS—ARTICLE BY J. LOY MALONEY

[Mr. WHITE (for Mr. NYE) asked and obtained leave to have printed in the RECORD an article entitled "British Ruling Class Controls London Press," by J. Loy Maloney, published in the Washington Times-Herald of July 16, 1944, which appears in the Appendix.]

PUBLIC HEALTH SERVICE DRIVE ON TUBERCULOSIS

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an article entitled "Health Service Plans New Drive on Tuberculosis," published in the Washington Evening Star of August 3, 1944, which appears in the Appendix.]

THE PHILADELPHIA TRANSIT STRIKE

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an editorial entitled "We Didn't Slip; We Was Pushed," published in the Philadelphia Record of August 7, 1944, which appears in the Appendix.]

A SOLDIER AT THE PEACE TABLE

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD an editorial entitled "A Soldier at the Peace Table," published in the Washington Times-Herald of August 7, 1944, which appears in the Appendix.]

COMMENDATION OF THIRTY-SIXTH INFANTRY DIVISION

[Mr. CONNALLY asked and obtained leave to have printed in the RECORD an article entitled "Valorous Deeds of Texas Thirty-sixth Wins General's High Praise," published in the Dallas News, which appears in the Appendix.]

STATEMENT BY R. S. REYNOLDS BEFORE TRUMAN INVESTIGATING COMMITTEE

[Mr. HILL asked and obtained leave to have printed in the RECORD a statement by R. S. Reynolds, president of Reynolds Metals Co., before the Truman investigating committee at its request, on June 19, 1944, and also an editorial by I. F. Stone on Mr. Reynolds' statement, which appear in the Appendix.]

THE FARM SURPLUS PROBLEM

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an editorial entitled "Senate Revives Bill To Provide Permanent Farm Surplus Solution," published in Printers' Ink, which appears in the Appendix.]

WAR MOBILIZATION AND POST-WAR ADJUSTMENT

Mr. MURRAY. Mr. President, at the last session of the Senate consent was given to file a report on the bill (S. 2061) to provide a national program for war mobilization and post-war adjustment, which was a subject under consideration by the Senate Committee on Military Affairs. Pursuant to the consent given, the bill was reported during the recess, a report (No. 1036) was submitted thereon, and the bill has now been printed and is on the calendar and available to Members of the Senate.

ORGANIZATION OF CONGRESS

Mr. MALONEY. Mr. President, since it appears that no Senator is now trying to obtain the floor I ask unanimous consent, out of order, for the immediate consideration of Senate Concurrent Resolution 23. I should like to suggest, if I may, that it is a proposal which has been before the Senate for a long time.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A resolution (S. Con. Res. 23) establishing a joint committee on the organization of Congress.

Mr. WHITE. Mr. President, I ask the Senator from Connecticut if this is the resolution that was considered by the Rules Committee and reported by that committee?

Mr. MALONEY. It is.

Mr. WHITE. It proposes, as I understand, a study of the methods of procedure of both the Senate and the House?

Mr. MALONEY. That is correct. I will say to the distinguished minority leader that he was an able member of the committee which reported the resolution.

Mr. BARKLEY. Mr. President, will the Senator advise the Senate what sort of joint committee it is that the resolution proposes to create?

Mr. MALONEY. Yes; I shall be pleased to do so. The resolution provides for a joint bipartisan committee composed of six Members of the House of Representatives and six Members of the Senate, not more than three of whom in either body shall be a member of the same party. The members of the committee on the part of the House would be appointed by the Speaker and members on the part of the Senate by the President of the Senate. The resolution provides for nothing more than a study. The original resolution was amended by the Committee on Rules and unanimously reported to the Senate by the committee.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. CONNALLY. What does the Senator have to say in connection with the proposal about the constitutional requirement that each House is the judge of its own procedure, its own rules, and things of that kind? Is it proposed to enact a statute of some kind affecting both the House and the Senate?

Mr. MALONEY. No; it is not. The resolution specifically provides that the

committees of either House shall not trespass upon the right of the other body.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. MALONEY. Yes; I yield to the Senator from Maine.

Mr. WHITE. My recollection of the matter is that the concurrent resolution, as reported, provides specifically that the members of the proposed joint committee on the part of the Senate shall have no voice in affecting in any manner either the rules or the practice of the House?

Mr. MALONEY. That is correct.

Mr. WHITE. And by the same token, the House members shall have nothing to do with the rules or the practice of the Senate. But as I remember the situation, it was thought that members of the committee from the two Houses might sit together whenever the occasion required. Of course, at times I suppose a question may arise dealing with joint interests, a question of comity between the two Houses, and the practice with respect to matters pending between the two Houses, moving from one House to the other, and back and forth. We thought such questions might properly come within the jurisdiction of such a joint committee. But it is true, I take it, that the House members of the committee will have no authority to speak or vote with respect to Senate procedure.

Mr. MALONEY. That is correct.

Mr. WHITE. And Senate members of the committee will have no such authority with respect to House procedure.

Mr. MALONEY. That is correct.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. CONNALLY. I do not wish to seem to be allergic to information or to enlightenment, and I shall not object to the concurrent resolution, but it seems to me that it offers very little hope of any concrete progress along the lines suggested by those who have been speaking about the need for reform in the methods and procedure of Congress. The Senate, under the Constitution, is the judge of its own rules and proceedings. The same statement applies to the House of Representatives. That situation exists, of course, except with respect to conferences and similar matters, and the rule that neither body shall reflect on the other, and so on. But I do not agree with the views that our procedure and our conduct in the Senate need so much revision and so much overhauling.

Mr. MALONEY. Will the Senator from Texas permit me to interrupt him for a moment?

Mr. CONNALLY. Yes.

Mr. MALONEY. I wish to read a provision of the concurrent resolution:

Nothing in this concurrent resolution shall be construed to authorize the committee to recommend any amendment to or change in the parliamentary rules governing proceedings in either House.

Mr. CONNALLY. What, then, is the committee going to do? Will it talk and debate and hold hearings and print voluminous hearings which no one will ever read? I do not agree with the idea that the Senate is all out of gear and needs

reforming. I do not think that is true of the other House. Each body, within its proper functioning, is sovereign, and we can reform ourselves right here if it is necessary that there be reform. I do not see any other way of operating a parliamentary body than along the general line we have been operating during all these years. Measures are introduced and referred to committees. Consideration of them is had by committees. Measures are reported to the Senate or to the House, as the case may be. It may be that some of the rules of the Senate need revision; I rather think that some of them ought to be revised; but that is entirely within our competence. We do not need a joint committee to tell us that. We have a Rules Committee, and we have other Senate committees whose members are experienced with respect to Senate procedure.

I shall not object to the concurrent resolution, but I simply wish to express the thought that I do not quite agree that our system needs a complete overhauling, and streamlining, as it were, remodeling, the addition of a whole lot of new gadgets, and all that sort of business. I am pretty well satisfied with the manner in which the Senate has been functioning for many years.

Mr. MALONEY. I thank the Senator, and especially for his statement that he is not going to object to the concurrent resolution.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. MALONEY. I yield to the Senator from Ohio.

Mr. BURTON. I simply wish to ask the Senator from Connecticut a question. As I understand it, the concurrent resolution expressly provides that the proposed committee shall not even recommend any amendment to or change in the parliamentary rules governing proceedings in either House?

Mr. MALONEY. That is correct.

Mr. BURTON. Therefore the committee's recommendations will deal with procedure on other subjects than parliamentary rules?

Mr. MALONEY. That is correct.

Mr. BURTON. And that might involve such questions as joint operations, in which both Houses may have a common interest. But as to those recommendations, under the measure as reported by the committee, there will be no recommendation made by the committee except upon a majority vote of the members representing each House, taken separately?

Mr. MALONEY. That is correct.

Mr. BURTON. So we have a procedure that will call for recommendations from both Houses separately on subjects that may very well involve questions of joint interest to both Houses. For this reason, there should be a joint consideration of many of those issues.

Mr. MALONEY. That is correct.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. VANDENBERG. I merely want to make a brief comment regarding the observations made by the able Senator

from Texas [Mr. CONNALLY]. Of course, the Senator is totally correct in his theory that each House is and should continue to be sovereign over its own rules. But the one great advance, in my opinion, which was made in the general over-all congressional organization for the sake of efficiency was made when the Joint Committee on Internal Revenue Taxation was created, with a permanent standing staff. In my opinion, the greatest opportunity for increase in congressional efficiency and of arming it with adequate facilities to function lies in the direction indicated by that precedent and example, because I am confident that in at least two or three other major particulars the creation of joint standing committees, supplemented by regular staffs of experts, offers a tremendous opportunity for more effective congressional information, and therefore more effective congressional action when the time comes.

Mr. MALONEY. I thank the Senator from Michigan.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MALONEY. I yield to the majority leader.

Mr. BARKLEY. My attention has been called to what evidently was an oversight, which is a violation of the Senate rules. The concurrent resolution was reported on the day the Senate adjourned in June. Under the rules, carrying as it does an appropriation, the concurrent resolution should have gone to the Committee to Audit and Control the Contingent Expenses of the Senate, like all other measures making appropriations. I am afraid that if the concurrent resolution is acted upon now in violation of the Senate rules it may rise to plague us in the future with reference to other measures appropriating money. I am sure the Senator from Connecticut did not think about it, and it had not occurred to me. But under the rules of the Senate all measures carrying appropriations of money out of the contingent fund automatically go to the Committee to Audit and Control the Contingent Expenses of the Senate. I rather think that this measure ought to proceed in that way. I, of course, had no intention of objecting to the consideration of the concurrent resolution by the Senate, but I think the measure ought to pursue the regular course under the rules, if the Senator will permit me to make that suggestion.

Mr. MALONEY. I thank the Senator from Kentucky, and I shall undertake to meet that suggestion, if I may, in a moment.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. PEPPER. I wish to be one of those who heartily commend the enterprise and the quality of leadership exhibited by the able Senator from Connecticut in promulgating this concurrent resolution. We hear a great deal of talk these days about the legislative branch of the Government having larger responsibilities and exercising the responsibilities which it has under the Constitution. I

think a great many of us feel that if the legislative branch of the Government is to do that, it is not only going to have to streamline, if we may use a modern word, its own procedure and its own organization, making it more efficient and more responsive to the demands upon it, but in addition to that it may have to do certain other things, as for example, as has been pointed out by the able Senator from Michigan [Mr. VANDENBERG], the appointment of permanent standing staffs of committees. The Senator mentioned the Joint Committee on Internal Revenue, which has its own research staff. That committee does not have to rely exclusively upon the executive branch of the Government for information which it must have in order to perform its duties. I am sure that matter will come within the study of the committee proposed to be established by the concurrent resolution sponsored by the Senator from Connecticut [Mr. MALONEY].

I am not at all sure but that there may have to be some closer cohesion in our legislative units and in all the bodies, and there may have to be greater authority vested in the two leaders, or in the majority leader, so that someone shall have more direct responsibility for the functioning of the legislative branch of the Government. I am not at all sure but that we are going to have to make some provision so that committees may be thrown together, or there may be appointed a committee which will have an over-all jurisdiction concerning certain matters, or some committee which will have responsibility to see to it that certain legislative steps are taken and that a program might be formulated when required. So, the present proposal is in the interest of progress, in my opinion, and it is in the interest of the greater performance of legislative duties by the legislative branch of the Government. I heartily endorse the concurrent resolution. The study to be made will be an intelligent study, by an intelligent committee. We can then decide, when we hear the recommendations, which of them need to be put into effect. The Senator certainly is on the track of progress, and I commend his good efforts.

Mr. MALONEY. I thank the Senator.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. GILLETTE. I can fully understand the perturbation expressed by the Senator from Texas with reference to the concurrent resolution which has been presented. I wish to make this comment: As I recall, the same questions which he has raised were raised by every member of the Rules Committee, which, of course, includes the distinguished majority leader and the distinguished minority leader.

Mr. BARKLEY. I am not a member of that committee.

Mr. GILLETTE. Has the Senator withdrawn from that committee?

Mr. BARKLEY. I have never been a member of it.

Mr. GILLETTE. A resolution was submitted, of which I was the author,

calling for a study and possible revision of the Senate rules. That resolution is in the hands of a subcommittee headed by the distinguished senior Senator from Alabama [Mr. BANKHEAD]. After a full discussion in the Rules Committee, and after hearing the distinguished Senator from Connecticut, it was evident to all of us that there was a field which could not be reached under the constitutional provision by which each body controls its own rules. Because of the fact that there was such a field, it seemed to invite careful study of congressional procedure so as to bring it into conformity with the system of rules which has grown up as a result of the decisions of parliamentarians and presiding officers. The Rules Committee unanimously endorsed the purpose of this resolution. I am sure that nothing which may result from this resolution in the way of proposed legislation will or could interfere with the constitutional prerogatives of each body.

Mr. MALONEY. I thank the Senator.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. CONNALLY. My view is that the philosophy of having two Chambers, as provided by the Constitution, instead of one, is based upon the idea that each Chamber shall approach these questions in its own way. If we are to merge the two bodies, as it were, and have a unicameral legislature, that is another question. I do not favor it, but there are those who do. However, it seems to me that the idea that the two separate bodies shall pass legislation presupposes that each shall approach it in its own fashion and under the constitutional warrant that each has authority to adopt its own rules of procedure.

I hope I am not standing in the way of progress. If I am, I shall be demolished, as I have often been in the past. I shall look forward to the labors of the committee with a great deal of interest. I hope it will bring forth something which will be of benefit. I do not wish to make any commitment until I see what comes out of the bag. When one puts his hand into a prize bag and draws blindly, he may get something and he may not.

I commend the Senator's industry and enterprise in undertaking to revamp Congress. It has stood for about 150 years under the Constitution. It is now cussed and abused all over the country. The reason it is being cussed and abused is that the country thinks that the Congress is not standing up for the things it should stand for—for its own integrity, for its own power and authority, authority within our own legislative loins, as it were. That is why we are being abused and denounced.

So far as I am now advised, I will oppose to the limit of my poor ability any proposal which would lessen the integrity, power, and strength of the Senate by a merger of its authority with that of the House of Representatives, or with any executive commission or executive authority whatever.

Mr. MALONEY. Mr. President, let me say that when that day comes, if it ever comes, if I am here I shall certainly

associate myself with the distinguished Senator from Texas.

The principal purpose of the resolution is to strengthen the Senate, and to give further strength to the entire Congress, so that it may, more properly than it has done recently, meet its responsibilities and give further strength to the entire governmental structure.

Mr. President, because of the thoughtful suggestion of the distinguished majority leader [Mr. BARKLEY] that in its present form the resolution should be referred to the Committee to Audit and Control the Contingent Expenses of the Senate, with the permission of the Senate I should like to change the language as follows:

On page 3, line 24, strike out the word "the" and strike out the words "which shall not exceed \$10,000", so as to read:

Any expenses of the committee shall be paid one-half—

And so forth. Thus no appropriation would be requested; and if the resolution should be passed by the Senate, and later by the House, we could then take up with the Committee to Audit and Control the Contingent Expenses of the Senate the question of funds.

The ACTING PRESIDENT pro tempore. The parliamentarian suggests to the present occupant of the chair that the distinguished Senator's suggestion would not suspend the operation of the rule referred to, and that agreement to the Senator's request for the present consideration of the resolution would have the effect of unanimous consent to suspend section 1 of rule XXV.

Mr. MALONEY. Mr. President, I ask that unanimous consent.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. BARKLEY. Mr. President, reference of the concurrent resolution to the Committee on Audit and Control would not involve more than a day or two of delay. In view of that situation, instead of striking out the language referred to—the Senator would want it in the resolution ultimately—I suggest that the concurrent resolution take the usual course of going to the Committee to Audit and Control the Contingent Expenses of the Senate. I shall be glad to facilitate as much as I can a prompt report from the committee. I would rather take that course than to give unanimous consent to abrogating the rule under which we operate in regard to appropriations from the contingent fund.

Mr. MALONEY. Mr. President, I gladly yield to the suggestion of the distinguished majority leader, and I thank him for his offer of help in obtaining consideration of the proposal before the Committee to Audit and Control the Contingent Expenses of the Senate.

The ACTING PRESIDENT pro tempore. Is the Chair correct in assuming that the Senator's request for the present consideration of the concurrent resolution is withdrawn?

Mr. MALONEY. That is correct.

Mr. BARKLEY. And that the concurrent resolution is to be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. MALONEY. That is correct.

The ACTING PRESIDENT pro tempore. Without objection, Senate Concurrent Resolution 23 is referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

PERSONAL REPORT BY SENATOR TRUMAN ON THE SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM

Mr. TRUMAN. Mr. President, one of the most difficult decisions I have ever had to make was that to resign as chairman of the Special Committee to Investigate the National Defense Program. I consider it a very great privilege to have served with that committee.

In the last war I had an opportunity to observe the waste and confusion which always exist in a period of great emergency when many important decisions must be made overnight and carried out by inexperienced staffs.

When the President advocated a program for preparedness over the opposition of many of our isolationists, I wholeheartedly supported that program. It was another and perhaps the greatest instance of the ability which he has so frequently shown to see into the future and determine the right course for this Nation.

But as a soldier who had deplored the waste and confusion in the last war I believed that our preparedness program should be subjected from the very first to intelligent and honest investigation so that mistakes could be caught before the damage had been done.

The old saying that it does no good to lock the barn door after the horse has been stolen could properly be amended to read: "It does not do much good after the horse has been stolen to find out why the barn door was not locked." After the last war we witnessed the spectacle of more than a hundred congressional committees conducting a post mortem into the war program. In almost every instance, majority and minority reports were submitted, the majority trying to make it appear that everything that had been done was bad, and the minority that perfection had been achieved.

Those investigations were useful, but not nearly so useful as they could have been if they had been conducted simultaneously with the war program and in an unbiased and an unprejudiced manner.

Early in 1941, when our program was just getting under way, I suggested that a committee be created to investigate the program and to correct mistakes before they could do great damage. My suggestion was adopted, and the Senate created the Special Committee to Investigate the National Defense Program.

My colleagues have deeply honored me by referring to it as the Truman committee, and I have worked hard to make it a success. But I want to emphasize again, as I have so often done in the past, that the accomplishments of the special committee have not been those of 1 man. They are due to the splendid teamwork of 10 members, who have given unsparingly of their time and energy, and to the work of what I think

is the ablest staff ever assembled by any congressional committee.

The 10 members of the committee, 6 of them Democrats and 4 Republicans, represent every section of the country, North, South, East, and West, and nearly every shade of opinion. I say nearly every shade because there was one point of unanimous and complete agreement, namely, that it was necessary to prepare this country for the greatest emergency that ever faced it, and to do this quickly and at the least cost in lives and property. All the members of this committee have constantly borne that objective in mind, and to achieve it have submerged their political differences.

All my life I have been a Democrat and a supporter of the Democratic Party, and I expect to remain so. But I have repeatedly emphasized the tremendous help and assistance which has been given to the committee by its four Republican members: OWEN BREWSTER, of Maine; JOSEPH BALL, of Minnesota; HAROLD BURTON, of Ohio; and HOMER FERGUSON, of Michigan. They have always been a tower of strength, and I want again publicly to acknowledge this and personally thank them from the floor of the Senate.

Similarly, I want to refer to the great work of my Democratic colleagues on the committee.

JAMES MEAD, of New York, has unanimously been elected chairman of the committee, and I am just as certain as all of you who know him that under his leadership the committee not only will carry on, but will reach new levels of achievement. He has been an able chairman of the Subcommittee on Steel, Labor, and Transportation, and has served as a member of the Subcommittees on Shipping and Renegotiation of Contracts.

MON WALLGREN has done a splendid job as chairman of the Subcommittee on Aircraft and of the Subcommittee on Light Metals, and he is a member of the Subcommittee on Shipping. He was particularly farsighted in recognizing at the very outset the necessity of vastly expanding our facilities for the production of aluminum and magnesium and the importance to our future of evolving new processes and methods for using these magic metals.

CARL HATCH, of New Mexico, acted as the chairman of the Subcommittee on Renegotiation of Contracts, which made a thorough and exhaustive investigation into the profits being made by war contractors and the methods of administering the renegotiation statute, the necessity for which was first declared by this committee in January 1942. Most of the recommendations of this Subcommittee on Contract Renegotiation were enacted into statute in the recent tax bill. It constituted a major contribution toward the double purpose of protecting the Government against improper profits and protecting businessmen against unfair treatment by arbitrary application of the renegotiation statute.

HARLEY KILGORE, of West Virginia, is one of the most tireless workers on the committee. He is chairman of the Subcommittee on Manpower, which in October 1942, long before others were worried about manpower, outlined the im-

portant problems and made specific and definite suggestions. Many of those suggestions have since been adopted. Senator KILGORE is also chairman of the Subcommittee on Merchant and Naval Shipping and is a member of other subcommittees, including those on aircraft, light metals, and steel.

TOM CONNALLY, of Texas, was so active as chairman of the Foreign Relations Committee that he did not have time to act as chairman of a subcommittee of the special committee, but he has served ably as a member on the manpower subcommittee, and constantly has assisted the committee with advice and counsel.

The determination of the members of the committee to do the job that was entrusted to them by the Senate is best illustrated by the fact that the committee has submitted more than 30 reports on the most controversial and important subjects of the day without having a single minority report. That is a record which I believe has never been equaled or even approached by any other investigating committee of the Congress.

The committee is proud of its record. In the spring of 1941, when business and Government officials alike thought we had sufficient capacity for aluminum and steel, the committee urged the creation of new facilities that later were sorely needed.

In the latter part of 1941 the committee urged that automobile and other plants that could make war goods should be converted to war production. The committee's action in this respect finally culminated in a sharp criticism of Mr. Philip Reed and other dollar-a-year men who could not be convinced that conversion was necessary. Shortly afterward Mr. Reed went to London, and full conversion was accomplished.

In January 1941 the committee demanded that the Office of Production Management be reorganized and placed under the control of one man. The result was the appointment of Donald Nelson and the creation of the War Production Board.

Four months before the appointment of Mr. Charles E. Wilson the committee recommended that the War Production Board set up a section charged with overall planning for aircraft production and to be headed by a trained production executive drafted from industry.

The committee made a thorough investigation of the situation as to rubber in the early part of 1942, and 6 weeks before Mr. Baruch was appointed the committee submitted a report the recommendations of which read almost word for word with those of the report later submitted by Mr. Baruch.

In October 1942, the committee sent a report on manpower to the President, many of the recommendations of which have since been carried out.

Similarly, the committee was months ahead in its appreciation of the necessity of assuring that farm machinery and transportation facilities be produced in quantities sufficient to prevent a breakdown of vital agricultural programs and transportation facilities.

Similarly, the problems of reconversion, about which many people, includ-

ing some of our Governors at a recent conference, belatedly have become concerned, were emphasized in a report submitted by the committee last November. Specific methods of dealing with those problems were set forth in March in the committee's third annual report. Progress has been disappointing, because many new needs have arisen and because the armed services have been bitterly opposed to taking any action.

These are only a few of the many subjects unanimously agreed upon by the committee. It was possible for the committee to make this record only because every member of the committee placed the interests of the country above everything else, and because the committee made its reports factual, and avoided conclusions. There is no substitute for facts. When the facts are clear and are known, unbiased men do not differ as to conclusions.

Great credit for this record must be given to the staff which assembled the facts from every source available, analyzed them, and placed them before the committee in a fair, impartial, and clear-cut manner which enabled the members of the committee easily to understand them and to make sound determinations with respect to them.

The staff has not been large, but it has been able. It has been headed from its inception by Hugh Fulton, as chief counsel. He is a most skillful attorney, a man of judgment, of broad experience and honesty of purpose. He has been of invaluable assistance to the committee, and his contribution has been one of its greatest assets. At all times I have relied heavily upon him, and I cannot commend him too highly.

Rudolph Halley, the newly designated chief counsel of the committee, has worked with Mr. Fulton since 1938, and is a man of the greatest ability. He has acted as counsel for a number of subcommittees, as well as executive assistant to Mr. Fulton, and his work deserves the highest commendation.

Mr. George Meader, as well as his predecessor, Mr. William E. Russell, Jr., did splendid work as assistant counsel to the committee, particularly on the very important questions of transportation and farm machinery.

Mr. Samuel B. Stewart, Jr., deserves the highest commendation for the handling of his work as special counsel on price readjustment.

Mr. Matthew Connelly and his predecessor, Mr. William Boyle, were of very great assistance to me in their capacity of executive assistant to the chairman. I am sure that Mr. Connelly will do the same excellent job for Senator MEAD.

Mr. Harold G. Robinson, the committee's chief investigator, deserves special commendation for the splendid work he has done in ferreting out the facts. No job has been too difficult for him.

The committee has also been fortunate in having a number of able investigators, most of them young lawyers and accountants. They have all done good work, and I want to refer to them by name: Wilbur Sparks, Donald Lathrom, Franklin Parks, William Cole, Walter Hehmyer, Robert Irvin, Russell Searl,

Joe Martinez, Harry Magee, Haven Sawyer, Marion Toomey, and Agnes Strauss.

I also want to thank the secretaries and stenographers for their loyal cooperation and hard work, and particularly to mention the work of Lydia Lee in assembling and distributing the committee's reports and the transcripts of its hearings, and of Margaret Buchholz for her services as clerk of the committee.

The work of this committee has demonstrated what can be accomplished through investigation by committees of the Congress. Our industrial economy has become so complex and the necessary changes so numerous that it is impossible for the Congress in legislating to provide all the safeguards which are necessary for proper administration. If an attempt were made to do so, great delays would ensue, and in many cases the detailed requirements of specific legislation would be harmful rather than beneficial.

For these reasons it is important that Congress not only continue but enlarge its work of investigation. In my opinion, the power of investigation is one of the most important powers of the Congress. The manner in which that power is exercised will largely determine the position and prestige of the Congress in the future. An informed Congress is a wise Congress; an uninformed Congress surely will forfeit a large portion of the respect and confidence of the people.

The days when Webster, Clay, and Calhoun personally could familiarize themselves with all the major matters with respect to which they were called upon to legislate are gone forever. No Senator or Representative, no matter how able or diligent, can himself hope to master all the facts necessary to legislate wisely.

The accomplishments of the Truman committee—and I am referring now to the other members of the committee and to its staff rather than to myself—present an example of the results that can be obtained by making a factual investigation with a good staff. Similar accomplishments can be made by other special committees, as well as the standing committees of the Congress, and I particularly urge upon the Senate that it be liberal in providing ample funds for the prosecution of proper investigations. The cost of a good investigation is negligible when compared with the results which can be obtained.

Mr. HATCH. Mr. President, I returned to Washington only this morning. I did not know that the chairman of our committee, the Senator from Missouri, would make the address which he has just delivered. Had I known of it I would have endeavored to prepare something which, in a measure, would have been an adequate statement in behalf of myself, at least, as one member of the committee, in appreciation of the work which the chairman of the committee has done.

I noted throughout the statement that the chairman of the committee modestly disclaimed any credit for himself, giving to the members of the committee and to the staff full credit for all accomplishments of the committee. I agree

with everything which the Senator said about the work and accomplishments of the committee, about the staff and the members of the committee, and about the members of the minority party. Everything that he stated was entirely true. I have never served on any committee with men on whose part there was such complete lack of partisanship as there has been in connection with the work of the Truman committee. We have worked together harmoniously and have striven to accomplish what we thought would be good for the country. I believe that the results speak for themselves.

However, Mr. President, it was not of that that I rose to say a word. As I have already said, the chairman made a report which I presume is considered by him to be a report of the work of the committee. It was characterized by complete modesty on his part as the committee's chairman. As a matter of fact, Mr. President, had it not been for the harmony developed by his leadership, the work of the committee might have not been what it was. In his own mind the Senator from Missouri conceived this committee. He submitted the resolution under which it was first authorized. I am sure he participated in the selection of the members of the committee. He took an active part in the work of the committee throughout all the months and years of its existence. He has led but has never driven. He has been wise, kindly, firm, and courageous. Whatever the Truman committee has accomplished, Mr. President, is but a reflection of the integrity, wisdom, and courage of its chairman, Hon. HARRY S. TRUMAN, the junior Senator from Missouri.

NATIONALISTIC AND IMPERIALISTIC AIMS OF CERTAIN NATIONS—FINLAND'S POSITION

Mr. REYNOLDS. Mr. President, about 6 months ago I cut out of the Times-Herald an article by Mr. Frank Waldrop. I read it with a great deal of interest, and I preserved it. It is entitled "The Great Lie." I wish to add a subhead which I would entitle "Facts Do Not Hinder Pravda, However, in Its Little Campaign To Put Over Everything J. Stalin Wants."

At approximately the same time I cut from the same newspaper the daily column entitled "These Charming People" by Austine Cassini. She makes mention of both England and Russia as being nationalistic and imperialistic nations. I ask unanimous consent to have published in the body of the RECORD, as a part of my remarks, the two articles to which I have referred, together with another article which I cut out of the Washington News several months ago. The article was written by Mr. William Philip Simms and deals with Finland's present position. In the closing paragraph he states:

Finland's position today is tragic. She remains the same liberal republic she was in 1939-40—the toast of Churchill, Roosevelt, and democratic statesmen everywhere. But circumstances have made her an associate, though not an ally, of Germany, and she is technically at war with Britain, her old friend and admirer. And neither America nor Sweden can now do very much for her.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD the three articles to which I have referred, because we now have before us the tragic situation of Finland and Poland, which today apparently is to be partitioned by one of our allies and taken over as the result of the organization of a committee which was founded in Moscow, and for the further reason that Finland, it appears, is trying to make some sort of deal with one of our allies, Russia, to preserve her life and to save what few of her cities and what few of her sons are left after the desperate struggle which has been waged along her far-away borders.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE GREAT LIE (By Frank C. Waldrop)

The Poles are becoming an absolute embarrassment to their great friends and allies, His Majesty's Government for the United Kingdom of England, Ireland, Scotland, and Wales, and the dominions beyond the seas.

The Poles keep insisting that Poland is Poland, temporarily occupied by the Germans, shortly to be occupied by the Russians—and so far as the Poles are concerned, again only temporarily.

That's the wrong attitude. The Poles should listen to reason. It is true that His Majesty's Government of the etc., etc., back in 1939, advised and urged the Poles to fight Hitler because he wanted to annex the Baltic seaport of Danzig and cut a short highway across Poland to reach it.

The Poles rightly took the view that Adolf was just getting the camel's nose under the tent insofar as their national independence was concerned, and so they hit the said nose as hard a whack as they could. While they were doing so, as all the world recalls, they got a slug on the back of the neck from Adolf's great pal, J. Stalin.

And what role did His Majesty's Government for the etc., etc., play in this? Check the Encyclopedia Britannica yearbook for 1940 (which reviews the events of 1939) and you will there find the official details.

Briefly, Poland had her chance to tie in with either Germany or Russia as late as March 1939. Each was offering her a deal. But she refused them both and put her faith in His Majesty's Government. Why?

Well, on March 31, 1939, the British Prime Minister rose in the House of Commons and announced that the British Empire and the Republic of France had agreed to give Poland the fullest aid in their power "in the event of any action which clearly threatened Polish independence and which the Polish Government, accordingly, considered as vital to resist with their national forces."

All of which is ancient history, now, of course, and hardly worth mentioning except that one day the origins of this war will be called up for calm review and we will be given a chance again to think for ourselves concerning the genuine character of issues in Europe's eternal pursuit of war as the solution of its ills.

The great promise given at the outset of this war was that Britain and France would fight for Poland if she were attacked by any enemy whatsoever.

Half of that promise has been delivered. Britain declared war on Germany when Germany invaded Poland.

But the other half of that promise wasn't delivered when Russia attacked Poland.

And now, after many events, the Poles are still on hand to plague them.

Yesterday, the Communist official newspaper in Moscow, Pravda, began to warm up the Reds for the big developments just ahead

by accusing the Poles in Poland of being—believe it or not—pro-Nazi.

The Germans have not, as yet, been able to produce a single Polish Quisling, which is more than can be said in the case of the Russians, for last year they turned up with a Russian Quisling government complete at Smolensk headed by a former general of the central Russian army, Anton Vlasoff.

Facts don't hinder Pravda, however, in its little campaigns to put over anything J. Stalin wants. At the moment, he wants territory and subjects cut out of the hide of Poland.

He'll get same, too. Who can stop him?

Not the British. Yesterday in London His Majesty's Government suppressed a Polish newspaper which has been published in London for 4 years.

Why? Because the Polish newspaper was getting too noisy about coming events and stirring up "discord among the United Nations." That, in the great citadel of democracy and the home of a free press, etc., etc., as we have heard.

We don't suggest Americans meddle into all this going on abroad, but we can watch closely and form judgments on this meaning of promises, by whatever nation given.

THESE CHARMING PEOPLE (By Austine Cassini)

There are definite signs of worry among high British spheres over the Roosevelt-Stalin flirtation. The President of the United States had always wished to meet the great Red leader and come to a closer understanding with him. F. D. R. finally met Marshal Stalin at Teheran and he was so impressed with him that he almost forgot Winston Churchill over it. Now it's no longer a secret among White House visitors that Joe has taken Winnie's place on the President's list.

What harasses the leading British minds is that this friendship of Roosevelt with Stalin may leave England, on many occasions, without the formidable backing of the United States in many involved diplomatic questions with the Soviet Union. For while England and Russia are allied in the war against Germany, it's already apparent that the views and plans that these two great powers have about post-war Europe are often conflicting. While there's undoubtedly an earnest effort from both sides to come to a peaceful and harmonious settlement of aims, nevertheless the British cannot abandon the traditional policies of the Empire any more than the Russians seem inclined to abandon their very successful and realistic present foreign policy.

The truth of the matter is this: Both England and Russia are fighting for nationalistic and imperialistic aims. We are the only ones who are fighting mainly for questions of ideology. That's why it's probably difficult for us to understand why England and Russia aren't as easy to please as we are.

In the past, England and Russia fought wars over these conflicting views. Russia's aim was always to expand toward the Middle East and India. But England was always there to stop her. Today Stalin, who is following the long-range policy of Ivan the Terrible, Peter the Great, Catherine the Great, and Alexander II, sees this opportunity open for Russia again. Expansion to the Adriatic Sea through Slavic Balkan countries and through Iran and Iraq, where Soviet influence is greater every day, could be blocked only by England, who once again will have to invoke the policy of balance of power in Europe.

Stalin, however, seems to be catching the British out of breath every time. He's outstepping them. The move to recognize

Badoglio caught Churchill completely unprepared.

And the deal between Stalin and Badoglio, one hears, is that Russia intends to guarantee the return of her colonies to Italy. That's a blow to England, naturally.

FINNISH PEACE BID

(By William Philip Simms)

A Finnish bid for peace with Soviet Russia, perhaps with the sub rosa and unofficial backing of the Swedish and American Governments, is believed imminent.

Asserting that Sweden's interests are in the main identical with those of Finland, the influential Stockholm liberal daily, *Dagens Nyheter*, is urging the Government "to back boldly in various ways a purposeful and realistic Finnish peace policy."

Here in Washington, Finland is still regarded as a democracy whose continued existence is vital to the post-war set-up in Europe. And Secretary of State Hull's blunt reminder that peace feelers were up to her and that failure to make them might result in serious consequences to herself, was advanced only in the most kindly spirit.

In fact, it is felt here that nothing but the most realistic approach can save Finland. According to the Swedish News Exchange in this country, the *Morgontidningen*, Stockholm's principal labor organ, openly expresses the deepest anxiety regarding Finland's fate. "Finland's independence," it declared, "may soon be at stake and less and less intervention can be expected from the western democracies."

It is no secret that Sweden is genuinely alarmed. There are close ties between her and Finland. Their middle-way democracies are much the same. Should Finland lose her independence to become just another Soviet Republic under Moscow, Sweden, and Norway, both of which share frontiers with her, would feel themselves menaced.

Few informed observers here, however, believe that either the United States or Sweden can be of much help to Finland. The Soviet press now regularly denounces her in violent tones. Apparently even unconditional surrender would not be enough to satisfy the Russians, who want to destroy the Finnish Army and punish the country. The bombing of Helsinki, they warn, is merely the beginning.

It is quite possible that Moscow would refuse to consider peace terms from Finland at this time. On the contrary, she may be bent on making a dependency of that country as she tried to do in 1939, but failed because Finland—unlike Lithuania, Latvia, and Estonia—accepted almost hopeless war rather than lose her freedom without a fight.

It is significant that on December 1, 1939, shortly after the outbreak of the Russo-Finnish war, a Soviet "government" was set up at Terijoki, just inside the Finnish border. At the head of this "government" was Otto Kuusinen, a Finnish Communist who had made his home in Moscow for 20 years. Within 24 hours Moscow extended recognition to the Kuusinen regime and announced the conclusion of a 25-year pact of mutual assistance.

Finland, however, was not the pushover expected. So she was able to get a compromise peace in the spring of 1940. Sweden acted as go-between.

Finland's position today is tragic. She remains the same liberal republic she was in 1939-40, the toast of Churchill, Roosevelt, and democratic statesmen everywhere. But circumstances have made her an associate, though not an ally, of Germany and she is technically at war with Britain, her old friend and admirer. And neither America nor Sweden can now do very much for her.

COST OF POST-WAR LEGISLATION

Mr. REYNOLDS. Mr. President, there will come before the Senate tomorrow a

bill introduced by our distinguished colleague, the senior Senator from the great Commonwealth of Georgia [Mr. GEORGE] proposing a method of taking care of the unemployed, and, furthermore, a bill reported by the Committee on Military Affairs a couple of days ago will be printed and on the calendar and on our desks tomorrow, dealing with reconversion and other post-war matters, and taking care also of millions of men and women now in uniform who are soon, I hope and pray, going to be returned from the European sphere of conflict. The bill by the able Senator from Georgia and that of the able Senators from Montana and West Virginia deal with an all-important subject, a subject which is a part of the war in which we are now engaged and which we pray to Almighty God may soon be ended. These bills deal not only with taking care of the soldiers and reconversion and with unemployment, but with millions upon millions of men and women who have been employed and are now employed in industry, who have made sacrifices to go into industry to aid patriotically in the war effort in which all the 135,000,000 people of America are vitally interested. The program involves the expenditure of vast sums of money.

We have up to the present time expended billions upon billions of dollars; as a matter of fact, within the past 10 years, I dare say this Nation has expended more money than any nation or combination of nations ever spent within a specified time of 10 or 12 years. A few months ago we placed upon the national debt a ceiling of \$267 billion, which is more money than you or I, Mr. President, or anyone else can reasonably conceive within our respective minds. It is a sum so great that we can form no adequate conception of it. But despite the fact that we have a ceiling of \$267,000,000,000, which will have been reached no doubt by the 1st of January, after which those interested in the financial structure of this country will have to come back to Congress itself and ask for an increase in the ceiling to the extent of many more billion dollars. I have predicted for the past 5 years that before the war shall have ended and its obligations liquidated the national debt will reach the enormous sum of \$500 billion.

We know that all that money eventually comes from the people. It comes from the man in overalls and the women in our factories who from day to day toil and sweat; it comes from the products of their labor. That money does not come from the rich or the wealthy of this country, because they have been reduced to the point where they get only 8 cents out of every dollar they receive as income or produce or receive from any source. I am reminded that if all the money that comes into our Federal Treasury through the taxing system from the so-called wealthy or well-to-do or the rich were placed at the disposal of the Government, there would not be sufficient even to pay for the maintenance and operation of one of the divisions of Government. We know, therefore, that taxes come from those who produce, from the laboring men and the laboring

women and the great middle class, constituting the great masses of this country. So in considering the bill presented by the able Senator from Georgia and the bill reported from the Military Affairs Committee, introduced by the Senator from Montana [Mr. MURRAY] and the Senator from West Virginia [Mr. KILGORE], it should be remembered that they are going to require billions of dollars in excess of the billions of dollars we are going to be called upon to pay in taking care of our returning soldiers.

Again I say that before this war shall have ended and before we have made a tabulation of its cost we will have a national debt far in excess of \$500,000,000,000. I arrive at that figure because I am reminded of the fact that the cost merely of taking care of the soldiers of World War No. 1, and their dependents up to date, according to the testimony of General Hines, Administrator of Veterans' Affairs, has aggregated \$15 billion, and before we shall have liquidated our obligations to the heroes of that war it will cost another \$15 billion, making a total of \$30 billion. During World War No. 1 we inducted in and out of uniform only about 4,200,000 men. During the present war, before it shall have ended in Europe and in Asia and all over the world, we will have inducted in and out of uniform men and women in the Navy and Army, the Coast Guard, the Seabees, and the Air Forces at least four times the number we had in World War No. 1, and I dare say that our casualties before this war shall have ended certainly will have been in excess of four times the number of casualties that we unfortunately and heartbrokenly experienced during World War No. 1. That being the case, we will be obligated to pay to veterans of this war, as a result of this war, about \$130 billion.

All of that, Mr. President, must come from the people; it must come in a sense from the soil; it must of necessity be derived as the result of the labors of the great masses of the country. If the laborers and the masses of the country think that all that money is going to be paid by the wealthy and the so-called well-to-do they have an erroneous idea, because, after all, they themselves in the long run and in the finality have got to pay the cost. I make mention of these matters, as I stated a moment ago, to make it plain that the bills in question which are about to come before the Senate are going to cost billions upon billions of dollars; and therefore at the conclusion of my remarks, which is now, I ask that there be published in the body of the *RECORD* at this point a brief editorial by Benjamin De Casseres which concludes with the statement that "the power to tax is the power to enslave." This was published in the *New York Mirror* some months ago, perhaps 6 months ago.

I also ask to have printed in the *RECORD* another editorial from the same daily of March 6, 1944, entitled "Taxes Unlimited." Immediately after the publication of the two articles just referred to I ask to have published in the *RECORD* an article by Mr. Frank C. Waldrop in the *Times-Herald* of February 12, 1944,

entitled "He'll Have a Job." I wish to quote a statement from the article reading as follows:

The total capital stock of Government corporations outstanding on June 30, 1942, was \$2,108,364,257. These corporations have 640 offices spread around the country.

The ACTING PRESIDENT pro tempore. Without objection, the papers submitted by the Senator from North Carolina will be printed in the RECORD.

The matters referred to are as follows:

[From the New York Daily Mirror]

THE MARCH OF EVENTS

(By Benjamin De Casseres)

Inch by inch, law by law, socialistic taxation crawls upon us.

First tax the pants off of us. Then we will be handed a pair of pants by the Government.

Inch by inch, law by law, the socializers will absorb all you've got. Then you can live on the alms of the State and work on public improvements. You will be a number. You will be paid a cut-and-dried wage. If you strike you will be arrested as a subverter of the public welfare.

The power to tax is the power to destroy, to enslave.

[From the New York Daily Mirror of March 6, 1944]

TAXES, UNLIMITED

"The art of taxation consists in so plucking the goose as to obtain the largest amount of feathers with the least amount of hissing," said J. B. Colbert, nearly 300 years ago.

Which shows that with the march of the centuries the political goose-pluckers keep perfect step.

In the United States there is a movement afoot to put a curb on the taxing power of the Government that ought to interest us all, regardless of income or social position.

The New Jersey Senate recently requested Congress to consider a constitutional amendment restricting income and inheritance taxes to a maximum of 25 percent in normal times of peace.

New Jersey was preceded by 14 other States in asking Congress to submit such an amendment to the people.

The proposal has been introduced in both houses of the New York State Legislature.

When New York and New Jersey have joined the 14 States that have passed similar resolutions, the impetus ought to be sufficient to cause at least 20 other States to demand action.

The Constitution, from beginning to end, limits the powers of the Government. That is mainly why we have a Constitution.

Its plain intent is to prohibit infringement on the rights and property of the individual.

Now, the sixteenth amendment to the Constitution, ratified in 1913, which is known as the "income tax amendment," is the one paragraph in the Constitution which gives the Government limitless and unrestricted power.

And this limitless and unrestricted power is over the most vital of the rights of the people—its income and its property rights.

Here is that amendment in its full wording:

"The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States and without regard to any census or enumerations."

This blanket authorization, no matter what the intent, is complete—to the point of confiscation.

The logical historic result of such an all-devouring amendment was that, in 1928, the Communist Party of America in its platform

adopted a plank declaring that all incomes should be limited to \$25,000.

President Roosevelt recommended to Congress last year that this communistic plank—destructive of free enterprise and our way of life—should become the law of the land.

Now, instead of limiting incomes to \$25,000, the saner and more American idea is being proposed that the Government shall be limited in peacetime to a 25 percent levy on incomes.

And that should, of course, also apply to inheritances.

The right to bestow money and the right to inherit money without the threat of confiscation through taxes is a fundamental American liberty.

It is a right found in the inherent nature of things—the right to own and the right to give.

Therefore, the revolutionary sixteenth amendment to the Constitution should be repealed and the 25 percent limit on taxing incomes and inheritances should be substituted.

Our Constitution limits the powers of Congress and the President, through the Supreme Court and by the Constitution itself, in all directions.

What argument, then, can be brought against limiting their powers to change our form of government through confiscation of income?

[From the Washington Times-Herald of February 12, 1944]

HE'LL HAVE A JOB

(By Frank C. Waldrop)

It has been quite a while since we had a President with a head for any kinds of figures except those that say "Gee, chief, it's wonderful. We spent more today than we did yesterday."

But the next President of the United States of America, if we care at all about what's happening to us, had better be one who can add and subtract, a man with a strong touch of MacTavish in his soul.

The reason: Whether we like it or not, we now have that ideal of happier days, "a real businessman President." There are all kinds of businessmen, you know, good and bad. But when a man is in business, buying and selling, he is a real businessman until he goes bankrupt.

Have you any idea what a big business the executive departments of the United States Government operate today under the direction of the President?

Not just in purchasing of supplies to be consumed by the Government for war and peace, but for actual trade in merchandise and human lives?

Today there are between 40 and 57 corporations owned or operated by the Federal Government, depending upon your definition of a corporation. The Treasury Department reports there are 40 Government corporations, 11 unincorporated trading agencies, and six "miscellaneous" corporations.

The total capital stock of Government corporations outstanding on June 30, 1942, was \$2,108,364,257. These corporations have 640 offices spread around the country.

Two typical examples of the revenue and non-revenue-producing activities are as follows:

Federal Prison Industries, Inc., operates trade training schools independent of industrial operations; operation of laundries, etc., for war agencies.

Rural Electrification Administration: Conducts research activities concerning the condition and progress of electrification in rural areas and disseminates information with respect thereto; especially in connection with war effort.

Others range from money lending to rubber trading.

The present outstanding debts resulting from operations of all these enterprises total \$13,024,503,508, of which the major portion is guaranteed by the United States. (Meaning you.)

A review of the operations of the Reconstruction Finance Corporation, best known of the lot, shows obligations amounting to \$2,780,448,685 were canceled by the Secretary of the Treasury, between 1938 and March 31, 1943. (That means the Secretary bought up or paid out R. F. C. debts.)

But the United States Treasury still held \$6,142,137,945 in obligations of Government corporations on March 31, 1943.

The gross limit of authority to borrow and outstanding obligations of Government corporations and enterprises which issue obligations guaranteed by the United States is \$32,948,000,000.

The R. F. C. has been paying subsidies for some time on various Government-managed commodities at the direction of our present "businessman" President. The estimated cost per year for subsidies on petroleum and petroleum products alone is \$225,000,000. Other typical cases: For sugar, \$17,805,800. For coal we subsidize the market by \$25,000,000; for nitrate, \$3,250,000; fiber, \$1,100,000.

Commerce Secretary Jesse Jones forecast some time ago the subsidy program would cost about \$30,000,000 for each year of its operation.

That was exclusive of subsidies to roll back farm prices.

To operate any form of government people must pay taxes. To be able to meet the tax bills, the people must exchange goods for profit.

In the United States of America in times past, we have been profitable because we were a people who went out as individuals to find or create profitable private enterprises.

The New Deal won the election of 1932 because Mr. Roosevelt promised to cut the cost of government and be of great help to us in finding and creating more such profitable enterprises of private business.

He didn't promise that the business of America would become Government business as per above outlined. He would never have been elected if he had. He made us think he was out to help private business.

But we may as well quit kidding ourselves. The President didn't go through with his promises of 1932.

Instead of helping private business recover its strength, he smashed it flat in his first term; boasted that he would become its master as he took oath for his second term; harnessed it into a war bureaucracy during his third.

What he means to do with private business in his fourth term is unpleasant to consider.

He may not, however, get that fourth term he wants. And so the man who succeeds him will find himself in a new job with problems that will call for a cool, clear head.

He will find himself responsible for trading in Chilean hides, Chinese tung oil, British woolens, Russian wood pulp, and American dollars. Not to mention American lives.

The Government has gone into business all over the world, not only for war but for peace. The next President will have to be a businessman, like it or not.

Let's hope and pray he will be a better businessman than the present one, whose idea of business is to throw our assets away and let things run wild.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, I inquire if there is an Executive Calendar.

The ACTING PRESIDENT pro tempore. The Chair is informed that there is.

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF THE MILITARY AFFAIRS COMMITTEE

Mr. REYNOLDS, from the Committee on Military Affairs, reported favorably the following nominations:

Robert H. Hinckley, of Utah, to be director of contract settlement for a term of 2 years; Lt. Col. Frank J. Killilea for appointment as State procurement officer of selective service for Alaska, under the provisions of law; and

Sundry officers for temporary appointment in the Army of the United States, under the provisions of law.

TARIFF COMMISSION

The legislative clerk read the nomination of George Z. Barnes, of Illinois, to be a member of the United States Tariff Commission for the term expiring June 16, 1947.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of George McGill, of Kansas, to be a member of the United States Tariff Commission for the term expiring June 16, 1948.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the United States Public Health Service.

The PRESIDING OFFICER. Without objection, the nominations in the United States Public Health Service are confirmed en bloc.

That completes the Executive Calendar.

Mr. BARKLEY. Mr. President, I ask that the President may be immediately notified of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be so notified.

ADJOURNMENT

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn.

The motion was agreed to; and (at 1 o'clock p. m.) the Senate adjourned until tomorrow, Tuesday, August 8, 1944, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 7 (legislative day, August 1), 1944:

UNITED STATES TARIFF COMMISSION

George Z. Barnes, to be a member of the United States Tariff Commission for the term expiring June 16, 1947.

George McGill, to be a member of the United States Tariff Commission for the term expiring June 16, 1948.

UNITED STATES PUBLIC HEALTH SERVICE PROMOTIONS

Warren F. Draper, to be a major general, effective July 1, 1944.

PROMOTIONS IN THE REGULAR CORPS

To be temporary surgeons, effective August 1, 1944

Murray A. Diamond Nobel W. Guthrie
Harald M. Granning Karl Habel

XC—428

Robert T. Hewitt Robert L. Zobel
Max R. Kiesselbach Carl Enna
Frank L. Price William A. Miller
Weldon A. Williamson William D. King
Robert D. Wright

To be temporary passed assistant surgeon, effective August 1, 1944

Marion B. Richmond

To be passed assistant surgeons, effective as indicated

Charles L. Williams, Jr., July 1, 1944.

James M. Hundley, July 1, 1944.

Charles C. Shepard, July 1, 1944.

Russell I. Peirce, July 1, 1944.

Samuel C. Ingraham, July 7, 1944.

Trawick H. Stubbs, July 1, 1944.

James L. Baker, July 1, 1944.

Robert E. Miller, July 11, 1944.

Bruce Cominole, July 1, 1944.

Avery B. Wight, July 1, 1944.

David E. Price, July 1, 1944.

Mayo L. Emory, July 2, 1944.

Michael J. Clarke, July 1, 1944.

David W. Scott, Jr., July 1, 1944.

Richard K. Winston, July 1, 1944.

Douglas S. Nisbet, July 1, 1944.

Charles W. Parker, July 1, 1944.

Linden E. Johnson, July 1, 1944.

Timothy J. Haley, July 1, 1944.

Wayne W. Carpenter, July 1, 1944.

Donald J. Birmingham, July 14, 1944.

Edmund J. Schmidt, July 7, 1944.

Llewellyn E. Kling, July 1, 1944.

Dean B. Jackson, July 1, 1944.

To be temporary medical directors, effective July 1, 1944

Joseph F. van Ackeren

William W. Nesbit

To be temporary senior surgeon, effective July 1, 1944

John L. Wilson

To be temporary surgeons, effective July 1, 1944

Thomas Francis Crahan

Thomas Hoyt Diseker

Theodore F. Hilbish

George Edward Tolley, Jr.

Glenn S. Usher

Francis John Weber

James V. Lowry

James W. Hawkins

John Beiden Vander

To be temporary passed assistant surgeons, effective July 1, 1944

Edward T. Blomquist Elmer L. Hill

James F. Maddux Carl R. Kunstling

Bertrand E. Bennison David Sieger Ruhe

Roy A. Darke George A. Shipman

Robert M. Foote Chester M. Sidell

Eugene J. Gillespie Otis Wayne Yeager

Arthur B. Gravatt, Jr.

To be temporary senior dental surgeon, effective July 1, 1944

John A. Hammer

To be temporary passed assistant dental surgeon, effective August 1, 1944

Dennis E. Singleton, Jr.

HOUSE OF REPRESENTATIVES

MONDAY, AUGUST 7, 1944

The House met at 12 o'clock noon.
Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou who art man's refuge and strength, the source of our blessings and the fountain of wisdom, Thou knowest our many needs before we lift our voices

and hearts unto Thee in prayer and supplication.

Grant that during these days of challenge and struggle we may be men of vision and of valor, placing our confidence in Thy presence and power and in the glad assurance that Thou wilt guide and provide.

We humbly confess that so frequently we are cynical and rebellious, allowing our faith in Thee to falter and become eclipsed by the clouds of doubt and despair. Thou knowest how tempted we are to accept the verdict that perhaps we have been predestined to be the victims of a conspiracy of wicked circumstances and that the high ideals which we cherish are merely illusions.

We pray that Thou wilt show us how to give life a more valiant and victorious reading and when our minds are baffled and our hearts are burdened help us to seek the counsel of Thy wisdom and the consolation of Thy love.

In the name of the Christ, our Saviour, we pray. Amen.

The Journal of the proceedings of Thursday, August 3, 1944, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Vice President had appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

Department of Agriculture.
Department of Commerce.
Department of Commerce (Coast and Geodetic Survey).
Department of the Interior.
Department of Justice.
Department of the Navy.
Department of the Treasury.
Department of War.
Post Office Department.
National Archives.
Selective Service.
War Manpower Commission.

MARGARET E. CLINE

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read the resolution (H. Res. 618), as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Margaret E. Cline, sister of Charles F. Cline, late an employee of the House, an amount equal to 6 months' salary at the rate he was receiving at the time of his death, and an additional amount not to exceed \$250 toward defraying the funeral expenses of the said Charles F. Cline.

The resolution was agreed to.
A motion to reconsider was laid on the table.

AGNES C. DUGGAN

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts, I

offer another privileged resolution and ask for its immediate consideration.

The Clerk read the resolution (H. Res. 619), as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Agnes C. Duggan, sister of Joseph P. Duggan, late an employee of the House, an amount equal to 6 months' salary at the rate he was receiving at the time of his death, and an additional amount not to exceed \$250 toward defraying the funeral expenses of the said Joseph P. Duggan.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Iowa.

Mr. JENSEN. Will the gentleman from Missouri assure the House that this is the usual procedure.

Mr. COCHRAN. It is. The committee directed the chairman in cases of this kind to report these resolutions without placing them before the committee.

CONSENT CALENDAR

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the call of the Consent Calendar for today be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

ADJOURNMENT OVER

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances; in one to include a copy of a letter written to Hon. Chester Bowles, Director of the Office of Price Administration; and in the other a copy of a letter written to Hon. Marvin Jones, Director of the War Food Administration.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. LARCADE. Mr. Speaker, I ask unanimous consent that today, at the conclusion of the legislative program and following any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

EXTENSION OF REMARKS

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a tribute to Clifford Powell, of Red Oak, Iowa, an American soldier who has given his all.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. MCKENZIE. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Louisiana [Mr. HÉBERT] be given permission to extend his remarks in the RECORD and include therein an address; and I also ask that the gentleman from Louisiana [Mr. MORRISON] be given permission to extend his remarks in the RECORD and include therein an address.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

TRIBUTE TO THE AMERICAN ARMY IN FRANCE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, since the House recessed in June the American forces in France have won what probably is the greatest military victory in the history of this country, and perhaps of any other country. I rise at this time only to express my own and, I am sure, the profound gratitude of the House as a whole for the generalship shown by the leaders of that military force, for the courage and valor shown by every man connected with it, and to express our profound concern and sorrow over the fact that many American men on the altar of their country have laid down their lives in this supreme effort to bring victory to the forces of freedom. We rejoice and are deeply thankful for this victory; but it is a solemn thankfulness indeed as the cost of the victory is borne in upon us. No generation has borne a heavier burden for the sake of the future than this generation of young men fighting this war is now bearing. May we keep faith with them in the peace that is made and in all our future acts.

BUREAUCRACY AND UNCONSTITUTIONAL TRENDS OF GOVERNMENT

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to include therein the text of a letter I have written our colleague the gentleman from Illinois [Mr. SABATH] and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I have asked for this time in order that I may appeal to all Members on both sides of the center aisle to unite on a strictly nonpartisan basis in passing House Resolution No. 547 which I have introduced providing for a nonpartisan, nonpolitical congressional investigation of bureaucracy and unconstitutional trends of government.

The inspiration of this resolution is patriotic and not political. There is

nothing political about it. Many persons throughout America sincerely believe that during 20 years of growth under administrations of both political parties our bureaucracy has reached a peak of power and strength where it has become inimical to American institutions, a threat to individual initiative, and a menace to free enterprise. They believe that its tendency is to dwarf and obliterate local self-government and to centralize all power in Washington in a manner directly contrary to the concept of Thomas Jefferson and the other founding fathers, who believed and taught that the government is best that governs the least.

If this be true, to find and apply the remedy becomes the paramount duty not of Democrats alone nor of Republicans alone, but of all of us, as Americans. If the seeds of disintegration are beginning to take root in our Republic, the first concern of every citizen should be to eradicate them without any thought of political advantage or disadvantage in the operation. So I plead with all Members of the House to approach consideration of this resolution not as partisans, but as Americans consecrated in the faith of the fathers that this shall be, and shall always remain, a Government of the people, by the people, and for the people.

I have today sent the following letter to Chairman SABATH of the Rules Committee asking for a hearing on my resolution:

AUGUST 7, 1944.

HON. ADOLPH J. SABATH,
Chairman, Committee on Rules,
House of Representatives,
Washington, D. C.

DEAR JUDGE SABATH: I am writing on behalf of myself and a number of other Members of the House to request a hearing before the Rules Committee on House Resolution No. 547, which I introduced on May 15 last, providing for a nonpartisan congressional investigation of bureaucracy and unconstitutional trends of government.

For 20 years, or longer, there has been a trend in America toward a centralization of Government in Washington, a belittling of the rights of the States, and an expansion of Federal bureaucracy. This trend has been accentuated as the tempos of economic pressures and war have increased.

During the last decade this country passed through the throes of a depression unparalleled in its history. During the last 3 years it has experienced internally the repercussions of its all-out participation in the mightiest war in the world's history. The purpose of my resolution, in part is to ascertain how the impacts of these colossal developments have affected the form of government that was handed down to us from the fathers, which Gladstone described as "the most wonderful work ever struck off at a given time by the brain and purpose of man."

My resolution recognizes that in times of great stress when unpredictable strains on all of the bulwarks of government are likely to warp them out of position, all the more care should be exercised to see that through this great emergency our Government is kept safely within constitutional bounds.

To see that our Government is held intact in its original form and mold is the job of Congress. The Congress, under our plan, has a peculiar responsibility to protect the constitutional rights of the people. The resolution I have introduced imposes on Congress a duty which the people of America want it

to assume at this time and I sincerely believe that if Congress meets its responsibility to the people, it will adopt the resolution by the votes of the Members on both sides, and this investigation will be made. No harm can come from it, and it may chart the way to a future course that will have immeasurable importance for the perpetuation of individual rights and free enterprise.

The incentive of this resolution is patriotic and not political. There is nothing political about it. I have said that I hope this resolution will be adopted by the unanimous votes of Members on both sides of the center aisle, and that would be as it should be, for if on account of the depression, or the war, or any other reason or reasons, the seeds of disintegration are beginning to take hold in our Republic, certainly it is the duty not of Democrats alone, nor of Republicans alone, but of all Americans to join in eradicating them.

If the resolution is adopted, this investigation will be conducted by the Judiciary Committee of the House, headed by Judge HATTON W. SUMNERS, of Texas, and composed of outstanding and able members of both political parties. Judge SUMNERS is known as a sound thinker and a fundamental student of government. We could rest absolutely assured that HATTON SUMNERS would never permit the investigation to be used as a political sounding-board, and that under his direction there would be a real investigation solely with the best interests of the country in view. There is no man in Congress, nor in the entire Nation, who is more highly qualified to make this investigation than Judge SUMNERS.

If this resolution is adopted, what will happen? The great Committee on the Judiciary, composed on both sides of outstanding and patriotic Americans, will proceed at once in its own way to make a study of bureaucracy and trends of government which may be inharmonious with our Constitution and our American way of life. At the close of this Congress, after the tempestuous waves of the national campaign have subsided and the atmosphere is conducive to calm and impartial deliberation, the committee will make its report. The Seventy-ninth Congress, when it convenes on January 3 next, will find its report on its doorstep and available as a basis of whatever corrective measures it may be deemed advisable to enact.

If your committee grants the hearing I shall ask permission to bring with me a number of able Members of the House and Senate of both political parties, who would like to be heard in support of the resolution. Forty Members of Congress, 31 Representatives and 9 Senators, have written to me expressing approval of the resolution and offering their support. These Members represent 25 States. I believe the supporters of the resolution generally recognize that bureaucracy has been developing and expanding over a long period of years, until it has become strongly entrenched, but they regard it as a condition that should now be faced by forthright action.

Believing that the proposed investigation would be wholly in the public interest and that it should be undertaken as soon as possible, I respectfully submit this request for a hearing, and I will be appreciative of an early reply.

Very sincerely yours,

LOUIS LUDLOW.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and include an article from a newspaper, a short editorial, and some statistics from the Bureau of the Budget.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that at the conclusion of the business on the Speaker's desk today, I may address the House for 10 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DAYLIGHT SAVING TIME

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, last week I introduced House Concurrent Resolution 93, repealing the daylight saving law, and it was referred to the Committee on Interstate and Foreign Commerce. I know that many Members of the House favor this legislation because similar bills have been introduced. But all of them are pending before the committee without action and I request the urgent cooperation of the membership of the House in the hope that the Committee on Interstate and Foreign Commerce may report out the legislation so that we may consider it in the House. I believe the time has come now for daylight saving time to be discontinued. Long before Congress enacted this law, certain cities throughout the country had daylight saving time by agreement, but it was only for a limited time, usually from May 1 to September 30, when the days were longest and as the days grew shorter the law was repealed. I believe the time has come now when this law should be repealed, and I will not favor its reenactment. I believe if the matter were left to the vote of the American people they would overwhelmingly approve of such action.

The SPEAKER. The time of the gentleman has expired. Under previous order of the House, the gentleman from Louisiana [Mr. LARCADE] is recognized for 30 minutes.

A WAR CONGRESS

Mr. LARCADE. Mr. Speaker, it is not only an honor to serve as a Member of the Congress of the United States of America, but at this time as a Member of the War Congress of the United States, I feel that it is also a great privilege to be a Member of one of the greatest deliberative bodies in the world, and in these crucial times when our country is engaged in the greatest war of all times, I feel a greater responsibility in discharging the duties of this high office because history is being written, not only in respect to the deliberations of this body in regard to the prosecution of the war, but also in the magnificent job that has been achieved in the building of an Army and Navy, composed of the average American boys and girls from all of the hamlets, villages and cities of the United States, which are acknowledged to be second to none in every respect, and to

whom we shall, and the entire world shall, owe a debt of gratitude for redeeming the world from the threat of chaos, dictatorship, and slavery.

Mr. Speaker, while we all know that this terrible conflict is not yet over, and that it may require perhaps considerable time to attain the goal of our great leaders of the United Nations—President Roosevelt, Premier Churchill, and Premier Stalin—the goal of “unconditional surrender” of our aggressors and enemies, we do know that the enemies of liberty and democracy are in retreat, and it is hoped that they will capitulate soon.

We also know that the sooner that our enemies do capitulate that the fewer lives of American and Allied Nations will be spent, and our prayers go forth in fervent supplication to Almighty God that, in His great wisdom and goodness and mercy, He will soon bring us victory so that our sons and daughters and brothers and sisters, husbands, and nephews and cousins may be returned home to their firesides and loved ones.

Mr. Speaker, we all owe a deep debt of gratitude to all of those who are fighting to preserve the ideals of liberty, freedom, and democracy, and already in this fearful war there have been many casualties. To those who will return, we should be most thankful. Before the conflict is over there will be many other casualties, and there will be many who will not return. It is of those who will not return that I am thinking.

All who are taking part in this great war are making sacrifices, it is true, but the great sacrifice is being made, and will be made, by the fathers and mothers, wives and relatives and sweethearts of those who will not return, those who will pay the supreme sacrifice.

To all of these my heart goes out, and I know the hearts of a grateful nation go out. But nothing that we can say, or nothing that we can do will bring loved ones back. To those who will return, a grateful nation has made provisions for their future welfare through this Congress. The Congress has made every effort to make provisions for every eventuality that might confront a returning veteran, and if any benefit or consideration has been overlooked, it was not through any fault of the Congress. For those who will not return, likewise the Congress has made every provision for their dependents.

Both are entitled to all the benefits that they will receive, and God knows that they are entitled to all they will receive. They deserve no less, and the Congress could do no more.

I am happy over the part which I took in shaping and passing this legislation. To the families of those who will not return, I know that there is nothing which I or anyone else can say that will assuage their grief nor replace their loved ones. But in time their consolation will come in the knowledge that it was God's will, and that the sacrifice of their loved ones was one of honor and glory, that future generations might live in freedom and happiness and contentment, and that their loved ones made the supreme sacrifice in order that others

might live in the enjoyment of life, liberty, and the pursuit of happiness as intended by our Creator, and as enunciated by our Declaration of Independence, and on this the one hundred and sixty-eighth anniversary of the birth of this great Nation it must be a source of satisfaction to all of us Americans that the flag for which our loved ones gave their lives is an inspiration to all the peoples of the world as a symbol of freedom and liberty.

Those who have already made the supreme sacrifice and those who will make the supreme sacrifice before this terrible carnage is over shall not have died in vain. They know that they have died for their country and that there is no greater glory than to give one's life in the defense and preservation of their country and all that it represents, and, as President Lincoln said:

That this Nation, under God, shall have a new birth of freedom, and that government of the people, by the people, for the people, shall not perish from this earth.

And, as Campbell said:

And leaving in battle no blot on their name, Look proudly to heaven from the death bed of fame.

Mr. Speaker, while we pay tribute to those who have already given their lives for their country and to those who are fighting for the very survival and existence of our country and our democratic way of life, we cannot help but also express our appreciation to those who have made possible our part in the winning of this great war—to our great President, Franklin Delano Roosevelt, and his Cabinet, who organized and planned our great war machinery, and who have directed it, and to the patriotic men and women who participated in the building of it. The part that labor has played in this great undertaking, working night and day in the great war industries provided almost overnight, will go down in the history of this country as the greatest contribution to our successes in this war. To the patriotic men and women who have unstintingly made sacrifices in our war effort, and to those who have provided the sinews of war by buying bonds and stamps to furnish the money, and without which this great accomplishment would not have been possible, we also acknowledge the important part that they have taken and are now playing in this terrible war.

Without the complete cooperation of all of our citizens of this country we could never have builded and equipped the finest Army and Navy in the history of the world. Starting from scratch, when this country was thrown in this terrible war by the attack on Pearl Harbor, when we had almost nothing in the way of an army, navy, or air force, it is a miracle of all times that this country has been able in the space of so short a time to furnish the greatest army and navy and air force in the history of the world. It must be a source of great comfort to the mothers and fathers and relatives of all of those who are fighting for their country to know that our Army and Navy and Air Force is the best-equipped, the best-trained, the best-clothed, and the best-fed Army in the

world, and that with the advances of medical science and the best medical personnel and equipment in the world that they are given the best of medical care and hospitalization. The medical branch of the Army assures the country that the percentage in loss of life of our wounded is less than 3 percent.

One of the most interesting statements made to the Members of Congress by the high-ranking officials and military leaders of our country, and one that was acclaimed unanimously, was the assurance that not one life of our soldiers in the armed forces would be sacrificed unnecessarily. We have been assured that under no circumstances will any operation be undertaken, no objective sought in this war unless and until we are thoroughly and fully prepared with men, matériel, and all of the supplies and implements of war needed to insure success. This is borne out by the fact that our military leaders took months to accumulate men and matériel in England before the second front was opened in France. The military leaders told us that they would rather sacrifice time than men, and this has been proven on all fronts, and in all engagements in all theaters of war. We are further assured that under the system of rotation of furloughs for men who are serving overseas and in foreign countries that all of our men and women who have done their turn will be sent home on furlough at the earliest possible moment. Unfortunately, due to the exigencies of the war, and to the fact that our soldiers are fighting on all of the fronts of the world, and due to the lack of transportation facilities, many who well deserve rest, and who have done their part, and who have been away for a long time, and who are entitled to a furlough, have not been returned home. But we are informed that this matter is being given the best attention of the military authorities, and from now on that as many as are overseas for a given length of time will be given their turn to come home for a visit to their loved ones. Mr. Speaker, I do not contemplate a discussion of the strategy of the war because time will not permit, and for the further reason that all of our people have been kept fully informed both in the newspapers and by the radio, and I think that we are under deep obligations to our Government, the press, and the radio stations, and the commentators for the dissemination of the news on progress of the war in keeping the families of those in the service and the public generally informed immediately, whether or not the news is good news or bad news.

When I was elected to the Congress, I pledged to my constituents that I would support President Roosevelt and the military leaders in the fullest measure in the prosecution of the war, and it is with justifiable pride that I can say to you that I have carried out this pledge.

I have supported every appropriation that has been presented to the Congress to carry on the war.

While the amounts were sometimes staggering and stupendous, in fighting what has well been termed a "global war," we could not have builded the

armed forces of this Nation without appropriating large sums of money to pay the cost of waging war, we would not have today the finest Army and Air Force in the world, and we would not have on the seven seas the greatest Navy in the history of the world. As a matter of fact, today we have a Navy that is as large and numerous and more potent than all of our allies together.

It is hard to give credit to one branch of the service and not to the other, for under our present system of amphibious warfare all branches of the service participate in action, and the success of any operation depends upon the cooperation and coordination of all arms of the services.

Our leadership has been brilliant which is testified to by our successes. The personnel of all branches of the services have acquitted themselves with honor and glory on the fields of battle, and on and under the sea, and in the air. It must be a comfort to the mothers and fathers and relatives of those in the armed forces to know that in all departments, our equipment and all matériel of all descriptions is far superior to those of our adversaries.

I can assure you of that as, together with other Congressmen I witnessed an exhibit here in Washington during the Fifth War Loan drive, where every known weapon used in this war by the three major nations, the United States, Germany, and Japan, was exhibited side by side, and I saw for myself how much superior all of our weapons are as compared with those of our enemies.

Mr. Speaker, I could talk at length about the problems which will face this country at the termination of the war, but time will not permit, but I would like to briefly say that I am pleased with the plans and programs of the Congress and this Government in meeting these problems.

The Congress and all of the departments of the Government have been making a study of these problems for many months, and the people may be assured that every effort is being made to solve these problems.

Legislation has already been enacted to take care of our returning veterans as I pointed out in the beginning of these remarks, and while we know that one of the foremost problems we will have to confront after the war is the absorption of the twenty or more million of war workers employed in war industries, as well as the returning men and women in the armed forces—all of whom will have to be absorbed in peacetime work. That this question has been having the serious consideration of the Congress, and of our Federal departments, and I am glad to say that these plans provide for an orderly and immediate plan for the reconversion of our war program to one that will take care of the situation.

The Congress has under consideration at this time legislation calculated to meet this emergency.

Legislation has already been introduced and is now before the committees of the Congress to be enacted in the near future which will provide large ap-

appropriations for the post-war period. Appropriations for public works such as roads, interregional highway systems, airports, flood control, river and harbor improvement, navigation, irrigation, sanitation, schools, hospitals, and other public works are included in the legislation now under consideration.

State planning boards, counties, parishes, cities and towns have already been contacted to plan and submit their needs in this respect, and it is agreed that this program will give employment to all.

Industry and small business will be aided and encouraged, and already the War Production Board is in touch with our American manufacturers to convert their plants for production of civilian goods. It is said that it is hoped that the demands of the Army and Navy for matériel of war have practically been met in sufficient volume to undertake a gradual resumption of the manufacture of civilian goods, which the country has been without since the beginning of the war, such as automobiles, automobile tires, rubber goods, radios and radio tubes, refrigerators, and mechanical devices of all kinds and descriptions, all of which have not been manufactured or which have been unobtainable since the beginning of the war. All of these plans are being made by our Government due to the successful turn of the war in favor of our country and our allies, and in the hope and on the assumption that the Axis Nations will soon be brought to unconditional surrender, and I am of the opinion that it is well for us to make plans and make all of the necessary provisions for that eventuality, so that if this should come to pass at an early date that we will be prepared to change from a nation engaged in war to peaceful pursuits that there will be no lost motion and no confusion and no suffering on the part of our people for want of employment in making the transition from war to peace. Unfortunately, I am one of those who is not so optimistic; I am fearful that we are too quick to take things for granted. I fear that our people are being led to believe that the war is won, that the war is over, and that they will relax their vigilance and become too complacent. I hope that I am wrong. But my judgment tells me that we still have a long way to go before we will be able to crush Germany and Japan. Of course, all indications point to a probable speedy collapse of Germany, as occurred in World War No. 1, and I hope that this is true, but I am one who does not underestimate the strength and resistance of Germany being driven under a dictator and Gestapo, and I fear that they still have resources and power to hold on for some time. Naturally, when Germany cracks and is disposed of, we will be in a position to concentrate our war machine and that of our allies on Japan, and it is hoped that this terrible task will not take too long, and that our casualties will not be great. Therefore, it behooves us all to keep up the fight on the home front to back up our armed forces by furnishing them with all that they need to carry on the war to a successful conclusion, and this carries with it the obligation of every man,

woman, and child to do their part in buying bonds and stamps until victory is won, and God grant that that day will not be long.

Mr. Speaker, we all realize that when the war is won—that it will be just as important to win the peace.

We all remember the tragic experience of the world in trying to make a peace in the last war. We all remember the efforts and experience of that great President Wilson, and his failure due to opposition here at home, and we cannot permit this to happen again this time, as all of the peoples of the world are agreed that this time we must have a lasting peace.

Milton said, "Peace hath her victories—no less renowned than war," and we fervently pray that God in His wisdom will give us our great President, Franklin Delano Roosevelt, and spare him to sit at the peace table to represent this country, and together with Prime Minister Churchill, and Premier Stalin, and the representatives of all of the other nations of the world that there shall be written a lasting and just peace for our country, and for all of the peoples of the world.

To the final victory of our country in this great war together with our allies, and to the consummation of a lasting peace for all of the peoples of the world, I pledge my cooperation and all of my energies so that we may again say all over the world, "Glory be to God—peace on earth to men of good will."

Mr. Speaker, this has, in reality, been a War Congress and the responsibilities of office have borne heavily on our Members. Never before in the history of our country have so many important decisions been made, and many more will have to be made.

The grim reaper has taken his toll of our Members during the last 2 years under the great strain they have undergone, just as we have had our casualties on the fields of battle.

I am glad, however, to point out that the people of the United States appreciate what our Congress has done and that most of the present Members of Congress are being reelected to office so that they can finish the job.

This is truly a War Congress.

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. DINGELL] is recognized for 10 minutes.

PRESIDENT MANUEL QUEZON

Mr. DINGELL. Mr. Speaker, we learned with great sorrow that on Tuesday, August 1, at 10:05 a. m. God in His wisdom called forth His noble and faithful servant, Manuel Quezon, President of the Philippine Commonwealth, and I rise at this time not only to pay him tribute but to pray that God grant him eternal rest and heavenly peace which his energetic body and noble soul had never known since his earliest manhood.

Those of us who have been privileged to know him and to enjoy his confidence will forever remember the warmth and the loyalty to his friends, which was transcended only by the ferocity and

fervency of his devotion to the cause of freedom and independence of his beloved Philippine Islands and of its people. This Chamber, wherein he served as Philippine Commissioner and as spokesman for the people of the Philippine Islands, on more than one occasion resounded with his eloquent pleadings in behalf of earliest possible freedom. Quezon, the man of destiny, became the universal symbol of Philippine independence and freedom. Compressed within the frail physical body of Quezon was an unbelievable and irrepressible force nobly motivated by a courageous, venturesome soul which burst the very bounds of its clay habitat. In his unfaltering and persistent efforts in behalf of Philippine independence he, more than any other man, made a rich and a lasting contribution to the imperishable pages of history. Enshrined deep in the hearts of his countrymen forever will be the name of the patriot, statesman, soldier, leader, Manuel Quezon, the man.

As the first President of the Philippine Government, an honor which was bestowed upon him by a grateful people, he was recognized as the father of his country and a direct counterpart of our own beloved George Washington. Moreover, Mr. Speaker, he will share with the martyred José Rizal the kindly sentiments of a great and an appreciative people—and may I be pardoned for injecting a personal touch into my discourse here this afternoon, for I believe this great world figure had a special affection for me and which I reciprocated. He expressed it more than once and in various ways. There was a kinship of sympathy and understanding which he himself emphasized which dated back to and originated in the period following the Spanish-American War, when my senior brother served Uncle Sam in that beautiful island country, when as a member of the Insular Affairs Committee, anxious to learn all that I could about the friendly people whom I loved and about the question of Philippine independence, I visited my friend, Governor General Frank Murphy, at Malacanán. It was then that I came in repeated contact with and learned of the greatness of the soul of the man who was destined to become the first President and father of his country. Since that time our friendship has grown. We have broken bread together beneath his roof in Manila, where he was a matchless and a generous host. Sometime after the passage of the Tydings-McDuffy Act, my esteemed friend of blessed memory in this Chamber, Mr. Speaker, personally extended an invitation for my attendance at his inauguration, which I regret I could not accept and fulfill. I shall never forget the friendly and unrestrained feeling expressed in our meeting at the National Press Club shortly after his arrival in Washington following the tragic subjugation of his beloved country. He kissed me as a brother, inquiring about my good wife and said, "God bless you. I am so glad to see you again." My friend, Quezon, on more than one of his many visits to Washington, called at my home and at least once I was privileged and

happy of the opportunity to repay his hospitality by having him as my guest as we dined and drank to the future good fortune of his country. We traveled together and we discussed the problems which confronted the commonwealth, and I tried to understand and to help this great man in their solution. Mutually we shared the friendship of many good American and Filipino friends. Recently his son and mine were classmates at Georgetown Preparatory School.

So to me, Mr. Speaker, the passing of President Manuel Quezon is a personal and an irreplaceable loss. Together with my family I share the grief of his faithful and devoted wife and family. I had a sentimental equity in the life of this man and I prayed for his health in the hope that he would be privileged to reenter triumphantly with his friend, Gen. Douglas MacArthur, the liberated country which he did so much to establish and endow with the keenness of his foresight and sound, distantly projected planning which will surface far into the future, but the Ruler of the Universe planned otherwise and we all bow our heads in submission to His eternal wisdom. We know that the soul of Manuel Quezon, prematurely separated from its shroud of flesh, will be there when the grateful and independent people of the Philippine Islands welcome and applaud the return of his successor, coworker, and friend, President Sergio Osmeña. The world will rejoice when finally and completely the efforts of President Quezon shall have been realized and, with the crushing of the enemy, become permanent.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 13 minutes p. m.), under its previous order, the House adjourned until Thursday, August 10, 1944, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COCHRAN: Committee on Accounts. House Resolution 618. Resolution granting 6 months' salary and \$250 funeral expenses to Margaret E. Cline, sister of Charles F. Cline, late an employee of the House; without amendment (Rept. No. 1754). Referred to the House Calendar.

Mr. COCHRAN: Committee on Accounts. House Resolution 619. Resolution providing for the payment of 6 months' salary compensation and \$250 funeral expenses to Agnes C. Duggan, sister of Joseph Duggan, late an employee of the House; without amendment (Rept. No. 1755). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRUMBAUGH:

H. R. 5164. A bill to increase deceased war veterans' burial allowances to \$150; to the

Committee on World War Veterans' Legislation.

By Mr. WOLFENDEN of Pennsylvania: H. R. 5165. A bill to amend the Internal Revenue Code with relation to the telegraph, telephone, etc., tax; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KLEIN:

H. R. 5166. A bill for the relief of Morris Tutnauer; to the Committee on Claims.

By Mr. McMILLAN:

H. R. 5167. A bill to confer jurisdiction upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon the claim of the board of trustees of the Saunders Memorial Hospital; to the Committee on Claims.

By Mr. ROONEY:

H. R. 5168. A bill for the relief of Jennie Olsen Andersen, widow, and Arthur Andrew Andersen, infant son, of Carl Edward Andersen; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5974. By Mr. BUCKLEY: Petition of John Timothy Smith and sundry others in protest against prohibition legislation; to the Committee on the Judiciary.

5975. By Mr. JONKMAN: Petition of Rosetta Sears and 21 other citizens of Holland, Mich., recommending the enactment of House bill 2082; to the Committee on the Judiciary.

5976. By Mr. ROLPH: Petition of the National Retail Hardware Association, commending War Production policies under Donald M. Nelson; to the Committee on Banking and Currency.

5977. Also, petition of the City of Los Angeles Department of Airports, referring to airport construction, development and policy; to the Committee on Interstate and Foreign Commerce.

5978. By the SPEAKER: Petition of various real-estate owners, banks, and agents of New York City, petitioning consideration of their resolution with reference to the inequities in the rent-control section of the present Emergency Price Control Act; to the Committee on Banking and Currency.

5979. Also, petition of the State aeronautical commission, State of Colorado, petitioning consideration of their resolution with reference to air transportation to and from the State of Colorado and the southeastern part of the United States; to the Committee on Interstate and Foreign Commerce.

SENATE

TUESDAY, AUGUST 8, 1944

Rev. John R. Edwards, D. D., associate minister, Foundry Methodist Church, Washington, D. C., offered the following prayer:

We come to Thee with whom a day is as a thousand years. In this brief period of devotion, may this honored place of legislation become with lasting influence a very sanctuary of God in which we cry out holy, holy, holy is the Lord; heaven and earth are full of Thy glory; glory

be to Thee, O Lord most high! Here may we sense the sufficiency of Thy presence for the several tasks of this day.

Enable Thy servants in meeting their responsibilities to move and serve in the realm of patriotism in its highest expression and most meaningful. With undimmed vision may they press forward in creative thought for the betterment of the whole world. Warned by the mistakes of previous periods and the holocausts of the present day, help us all in the building of a better world in which dwelleth righteousness where the sword shall be beaten into the plowshare and the spear into the pruning hook.

We pray for our Chief Magistrate the blessings of Thy upholding hand and Thy guiding eye. So do we pray for Thy servant who presides over this body and for all in Government responsibility.

Thou God of the pillar of cloud and of fire, be 'round and about our men in peril of warfare. Give signal wisdom to those who direct their energy in service. Give to us at home an unfaltering spirit of interest in their welfare and freedom from race prejudice which mars efficiency and reduces honor of manhood. In His holy name we pray. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, August 7, 1944, was dispensed with, and the Journal was approved.

FELICITATIONS FROM THE SENATE OF CHILE ON INDEPENDENCE DAY

The VICE PRESIDENT laid before the Senate the following cablegram, dated at Santiago, Chile, July 5, 1944, from the President of the Senate of Chile (translation): "With a view to commemorating the independence of the United States, the Senate of Chile resolves to express its congratulations to the Senate of that great democracy engaged today in a heroic struggle to defend and make regnant throughout the world the principles of liberty and justice"; which was ordered to lie on the table.

PETITIONS AND MEMORIALS

Petitions, etc., were presented, and referred as indicated:

By Mr. TYDINGS:

A resolution by the State Poultry Council of Maryland, favoring the nonapplication of price-support measures, as provided in the so-called Steagall Act, to the production of eggs and poultry meat; to the Committee on Banking and Currency.

A resolution of the Maryland State and District of Columbia Federation of Labor, favoring a mark-up of the Little Steel formula as a measurement of wage increases; to the Committee on Banking and Currency.

A resolution of the Maryland State and District of Columbia Federation of Labor, favoring the enactment of legislation to establish a centralized war labor governing authority; to the Committee on Education and Labor.

A resolution of the Maryland State and District of Columbia Federation of Labor, favoring the enactment of legislation relating to substandard or below-subsistence-level incomes as recommended by the Subcommittee on Wartime Health and Educa-